Daily Report

Central Eurasia

FBIS-SOV-94-097
Thursday
19 May 1994

Daily Report
Central Eurasia

FBIS-SOV-94-097 *19 May 1994*

CONTENTS

INTERNATIONAL AFFAIRS

CSCE Report Reviews Peacemaking Efforts in CIS *[ITAR-TASS]* 1
EU Still at Odds on Partnership With Russia, Ukraine *[IZVESTIYA 18 May]* 1
France Fears Russia-EU Accord To Harm Uranium Industry *[IZVESTIYA 19 May]* 2

INTERREGIONAL AFFAIRS

Russia To End Karabakh Mediation if Protocol Not Signed *[INTERFAX]* 3
Experts Fail To Divide Up Soviet Merchant Fleet *[INTERFAX]* 3
Problems in Eurasian Integration Viewed *[ROSSIYSKIYE VESTI 19 May]* 3
ITAR-TASS Carries Press Review for 19 May 4

RUSSIA INTERNATIONAL AFFAIRS

Preparations for U.S.-Russian Exercises Halted *[Moscow Radio]* 6
Joint Exercises With U.S., FRG Troops Criticized *[SOVETSKAYA ROSSIYA 19 May]* 6
Question of Joining G-7 May Be Raised After Naples *[ITAR-TASS]* 6
Involvement in G-7 Political Discussion Welcome *[ROSSIYSKIYE VESTI 19 May]* 6
Grachev To Seek Special NATO Status for Russia *[ITAR-TASS]* 7
Shumeyko: No Hurry To Join NATO Partnership *[INTERFAX]* 7
Rybkin Says Russia 'in no Hurry' To Join CE *[ITAR-TASS]* 7
Finnish President Arrives in Moscow on Two-Day Visit *[ITAR-TASS]* 8
Ahtisaari Makes Predeparture Remarks *[IZVESTIYA 18 May]* 8
Views Ties on Eve of Visit *[ROSSIYSKIYE VESTI 18 May]* 8
Yeltsin Meets With Finnish President *[ITAR-TASS]* 9
Hints at Big Projects for Finland *[Helsinki Radio]* 10
Chernomyrdin Meets With Ahtisaari *[ITAR-TASS]* 10
Kozyrev Praises Results of Meeting *[ITAR-TASS]* 10
Yeltsin, Kozyrev Comment on Finnish Talks *[INTERFAX]* 11
Yeltsin Hosts Official Dinner *[ITAR-TASS]* 11
Ahtisaari Meets Shumeyko, Rybkin *[ITAR-TASS]* 12
Ahtisaari Meets With Rybkin *[ITAR-TASS]* 12
Ahtisaari's Visit Reviewed *[ITAR-TASS]* 13
Troops in Former Yugoslavia To Be Replaced *[ITAR-TASS]* 13
Russian UN Troops Paying Off Debt *[KOMSOMOLSKAYA PRAVDA 19 May]* 14
U.S., Russian Deputies Challenge Bosnia Policy *[IZVESTIYA 18 May]* 14
French Foreign Minister Arrives in Moscow *[ITAR-TASS]* 15
Juppe Previews Russia Visit *[ITAR-TASS]* 15
Ukrainian Readiness To Hand Over Bombers 'Gimmick' *[INTERFAX]* 15
Kaliningrad Air Space Controlled by Lithuania *[KRASNAYA ZVEZDA 18 May]* 16
Ministry Concerned With Arrest of Uzbek Activists *[INTERFAX]* 16
State Duma Delegation Holds Talks in China *[Moscow TV]* 16
Delegation Ends Visit *[ITAR-TASS]* 16
Argentine Foreign Minister Satisfied With Visit *[ITAR-TASS]* 17
Di Tella Departs *[ITAR-TASS]* 17
Arms Company Refuses Comment on Sales to Kuwait *[ITAR-TASS]* 18
Marshal Shaposhnikov Visits Kuwait *[ITAR-TASS]* 18
Three Russians Killed in Algerian 'Terrorist Attack' *[ITAR-TASS]* 18
Shumeyko Interviewed on South Africa Visit *[ROSSIYSKAYA GAZETA 17 May]* 18
Protocol on Diplomatic Consultations Signed in Mali *[ITAR-TASS]* 19
Adamishin Meets Indian Vice President in Delhi *[ITAR-TASS]* 20
Deputy Foreign Minister Ends Visit *[ITAR-TASS]* 20
Release of POW's Due to Cooperation With Islamabad *[INTERFAX]* 20

RUSSIA NATIONAL AFFAIRS

Political Issues

Yeltsin Declines Shakhray Resignation, Denies Filatov Rumor *[ITAR-TASS]* 21
Stankevich Comments *[Moscow Radio]* 21
Reasons Behind Dismissal, Resignation Viewed *[SEGODNYA 18 May]* 21
Filatov Reportedly To Leave Post *[NEZAVISIMAYA GAZETA 19 May]* 22
Filatov Too 'Busy' To Think About Rumors *[INTERFAX]* 22
Denies Departure Rumors *[Radio Rossii]* 23
Lobov Tipped To Replace Filatov *[NEZAVISIMAYA GAZETA 18 May]* 23
Yeltsin May Run for Presidency in 1996 *[ITAR-TASS]* 23
Yeltsin, Chernomyrdin, Shumeyko View May Opposition Rallies *[Moscow International]* 24
President, Premier Seen in Firm Control *[ROSSIYSKIYE VESTI 18 May]* 24
Moscow Counterintelligence Chief Withdraws Resignation *[ITAR-TASS]* 25
Soskovets Says West Driving Russia Out of Weapons Market *[ITAR-TASS]* 25
Moscow to Halt Unofficial Sales of Diamonds *[INTERFAX]* 26
Foreign Ministry Asks Duma Deputies to Shun Dalai Lama
[NEZAVISIMAYA GAZETA 19 May] 26
Premier Asks Duma To Abolish Perks for Military *[MOSKOVSKIY KOMSOMOLETS 18 May]* . 26
Report on Presidential Security Service *[Russian TV]* 26
Support Program Drafted for Nationals in Neighboring States *[INTERFAX]* 27
Transportation Minister Praises 1993 Performance *[SEGODNYA 18 May]* 28
Liberal Democrats Want To Ban, Sue TV News Analyst *[INTERFAX]* 28
Details of General Prosecutor's Office Shakeout *[NEZAVISIMAYA GAZETA 18 May]* 28
Shumeyko: Chernomyrdin's Resignation 'Undesirable' *[ITAR-TASS]* 28
Yakutia, Bashkortostan Presidents on Shakhray's Departure
[NEZAVISIMAYA GAZETA 18 May] 29
Communists Issue Ultimatum to Kazakhs on Arrested Russian *[INTERFAX]* 29
Chubays Denies He Will Leave State Property Committee *[Moscow Radio]* 29
Yeltsin Edict Establishes Russian Postal Service Day *[NEZAVISIMAYA GAZETA 18 May]* 29
'Reforma' Foundation Opposes Cooperation With NATO *[ITAR-TASS]* 30
New Civil Code Part of 'Post-Reform' Order *[ROSSIYSKIYE VESTI 17 May]* 30
Shumeyko Welcomes New Nationalities Minister *[Moscow TV]* 31
Zorkin Urges Government by Popular Unity *[SELSKAYA ZHIZN 17 May]* 31

Economic Issues

Civil Aviation Strike Temporarily Suspended *[Moscow Radio]* 33
Pilots Postpone Strike to 2 Jun, To Meet Labor Officials *[ITAR-TASS]* 34
Procuracy-General Files Suit Against Pilots Union *[Moscow Radio]* 34
Fedorov Sees Budget as 'Bad' but 'Worth Voting For' *[IZVESTIYA 17 May]* 34
Chernomyrdin Criticizes Work of Economy Ministries *[ITAR-TASS]* 35
Aleksandr Shokhin Cited on Support for Small Businesses *[SEGODNYA 18 May]* 35
Soskovets Concerned on Air Safety, Health of Industry *[ITAR-TASS]* 36
Industry Chief Calls for National Aviation Policy *[ROSSIYSKAYA GAZETA 17 May]* 36
Labor Minister Notes Unemployment in Defense Sector *[NEZAVISIMAYA GAZETA 18 May]* ... 36
Minimum Wages To Be Raised to 19,500 Rubles in Jun-Jul
[NEZAVISIMAYA GAZETA 18 May] 36
Value of Deals With Western Oil Companies Questioned *[ROSSIYSKAYA GAZETA 17 May]* 36
Head of State Grain Inspectorate Interviewed *[SELSKAYA ZHIZN 17 May]* 37
Spring Impacts on Early May Food Price Increases *[ROSSIYSKAYA GAZETA 18 May]* 38
Spring Sowing Figures Inspire 'Some Optimism' *[ROSSIYSKIYE VESTI 18 May]* 39

Media Issues

RUSSKIY VOSTOK Suspended for Violating Mass Media Law *[ITAR-TASS]* 39
ROSSIYSKAYA GAZETA Protests Nonreceipt of Official Papers *[18 May]* 40
ROSSIYSKAYA GAZETA Announces 'Special Weekend Edition' *[18 May]* 40

Military & Nuclear Issues

Servicemen Arrested for Starting Fire at Arms Depot *[INTERFAX]* 40
Pacific Fleet Officers Appeal for Admiral's Reinstatement *[ITAR-TASS]* 40
Paper Reports 'Details' of Far East Explosion *[KOMSOMOLSKAYA PRAVDA 18 May]* 41
Operation Scheduled for Sealing of Sunken Nuclear Sub *[SEGODNYA 19 May]* 42
Withdrawal of Nuclear Submarine From Russian Navy Planned *[INTERFAX]* 42
No Safety Accessories on 50 Research Reactors in Moscow *[INTERFAX]* 42

Federal Assembly

Duma Orders Postponement of Russian-U.S. Exercises *[SEGODNYA 19 May]* 42
Shumeyko Backs Extending Ossetian-Ingush State of Emergency *[Radio Rossii]* 43
Duma Orders Inquiry of Yeltsin Dismissal of Procurators *[Moscow Radio]* 43
Duma Demands Explanation *[SOVETSKAYA ROSSIYA 19 May]* 43
Duma Rejects LDPR Demand to Fire TV Commentator *[ITAR-TASS]* 43
Contribution to CIS Interparliament Assembly Approved *[ROSSIYSKAYA GAZETA 18 May]* 43

Regional Affairs

N. Ossetian Parliament Extends State of Emergency *[INTERFAX]* 44
Parliament Agrees to Extension *[Moscow TV]* 44
Christian Democrats Hold Congress in St Petersburg *[SEGODNYA 18 May]* 44
Nuclear Reactor Catalyst Stolen for Foreign Buyer *[KOMSOMOLSKAYA PRAVDA 18 May]* 45
'Apparatchik' Orel Governor Seen Appointing Duma Leaders
[ROSSIYSKAYA GAZETA 17 May] 45
Khabarovsk Air Staff Will Not Strike; Kamchatka Undecided *[INTERFAX]* 45
Army Goes on Air To Expose High-Level Misdeeds in Dniester *[PRAVDA 18 May]* 46
Tatar Party Denies Accusing Shaymiyev of Slowing Reform *[KOMMERSANT-DAILY 18 May]* .. 46
Urals Businessmen Secure Contracts at Brussels Exhibition *[ROSSIYSKAYA GAZETA 18 May]* . 47

UKRAINE

International Affairs

Russian Monitor Comments on Election Outcome *[ROSSIYSKIYE VESTI 17 May]* 48
Chornovil on Creating Legislative Factions *[HOLOS UKRAYINY 11 May]* 49
Europarliament Ecologists Visit Defense Ministry *[KRASNAYA ZVEZDA 18 May]* 51

National Affairs

Kravchuk Warns Crimean Parliament on Constitution 51
Warns of 'Unpredictable Consequences' *[Kiev Radio]* 51
Text of Kravchuk Statement on Crimea *[Kiev Radio]* 51
Crimean Interior Minister Reports Coup Attempt by Kiev *[INTERFAX]* 52
Attempt To Seize Interior Ministry Detailed *[UNIAN]* 53
Ukraine Military Reinforcements Sent to Crimea *[ITAR-TASS]* 53
Further on Ukraine Troop Concentration *[ITAR-TASS]* 54
Meshkov Reviews First 100 Days as Crimean President *[UNIAN]* 54
Meshkov: Ukraine-Crimean Ties on 'Acceptable Course'
[KIYEVSKIYE VEDOMOSTI 14 May] 54
Kravchuk Warns Ukraine Parliament of 'Confrontation'
[KOMSOMOLSKAYA PRAVDA 18 May] 55
Moroz Elected Supreme Council Chairman *[Kiev Radio]* 55
Moroz Addresses Deputies *[Kiev Radio]* 56
Commission Approves 5 More Presidential Candidates *[Kiev Radio]* 57
Seven Candidates To Run for President *[UNIAR]* 58
Kuchma Denies Plans To Dissolve Parliament if Elected *[ITAR-TASS]* 58
Black Sea Fleet Schedules 'Comprehensive' Exercise *[UNIAR]* 58
President Addresses Donbass Directors *[UNIAN]* 58
Military Team Visits Oblast, Holds News Conference *[HALYCHYNA 12 May]* 59
Communist Leader Outlines Party's Strategy *[HOLOS UKRAYINY 11 May]* 60

WESTERN REGION

Belarus

Program on Monetary Merger Outlined *[Radio Rossii]* 62
Economist Deems Confederation With Russia 'Illusionary' *[DOBRY VECHAR 12 May]* 64
Economist Favors Ruble Union With Provisions *[SEM DNEY 14 May]* 65
Kebich Says Joining of Ruble Zone Dependent on Elections *[ZVYAZDA 14 May]* 66
Poll Shows Kebich Leading in Presidential Race *[KOMMERSANT-DAILY 18 May]* 67

Moldova

Prime Minister Interviewed on Social, Economic Reforms *[INTERFAX]* 68
Snegur Joins Moldovan Agrarian Democratic Party *[Bucharest Radio]* 69

CENTRAL ASIA

Kazakhstan

Oblast Reports Decline in Productivity for 1st Quarter *[Almaty Radio]* 70
Karaganda Coal Miners Begin Strike *[INTERFAX]* 70
Bulgarian Government Delegation Visits *[Almaty Radio]* 70

Kyrgyzstan

Half-Empty Napalm Containers Explode at Military Depot *[Moscow Radio]* 70
Akayev Urges More Dynamic Relations With Japan *[INTERFAX]* 70
CIS Commander in Tajikistan Visits Kyrgyz Capital *[ITAR-TASS]* 71

Tajikistan

Provocations on Tajik-Afghan Border Continue *[ITAR-TASS]* 71
Opposition Groups Allowed to Discuss Constitution *[INTERFAX]* 71

Uzbekistan

Karimov Addresses Tokyo News Conference *[ITAR-TASS]* 71
Karimov: Eurasian Union Dead; No Hurry to Join PFP *[ITAR-TASS]* 72

CAUCASUS

Armenia

Foreign Ministry Appeals for End to Conflict *[SNARK]* 73
Azerbaijanis Said Shelling Villages *[ARAGIL ELECTRONIC NEWS BULLETIN]* 73
Defense Ministry Cited on Nakhichevan Shelling Village *[SNARK]* 73
Agreement on Stationing of Russian Troops Discussed
[ARAGIL ELECTRONIC NEWS BULLETIN] 73
Voter Apathy Marks Yerevan Parliamentary Elections *[GOLOS ARMENII 17 May]* 74
Postponement of Aliyev's Georgia Trip, Guliyev Move Seen *[SNARK]* 74
Trade Minister's Detention 'Obvious Provocation' *[IZVESTIYA 18 May]* 74
Border Trade With Iran To Begin 11 Jun *[SNARK]* 74

Azerbaijan

Cease-Fire Not Signed Due to 'Shortfalls' in Document *[ITAR-TASS]* 75
Karabakh Area 'Calm'; Breakdown of Talks Regretted *[ITAR-TASS]* 75
'Comparative Lull' in Zone of Hostilities *[AZERTAC]* 75
Defense Ministry Working on 'Unfinished' Cease-Fire Pact *[AZERTAC]* 75

Aliyev Meets With CSCE Mission *[BAKINSKIY RABOCHIY 17 May]* 76
Opposition Mounts To Signing Peace Agreement *[NEZAVISIMAYA GAZETA 19 May]* 77
'High-Ranking Officials' Order Closing of BMTI TV Station *[TURAN]* 78
Russian Citizenship Deadline to Extend, Official Says *[NEZAVISIMAYA GAZETA 17 May]* 78

Georgia

Russian Peacekeeping Troops Attacked in S. Ossetia *[ITAR-TASS]* 78
Estonian Delegation Arrives on Visit *[CONTACT INFORMATION AGENCY]* 78
Spanish Foreign Ministry Delegation Arrives *[Tbilisi Radio]* 79
Shevardnadze Appoints Control Chamber Deputy Chairman
[SAKARTVELOS RESPUBLIKA 13 May] 79
Parliament Appoints Two Commission Chairmen *[SAKARTVELOS RESPUBLIKA 11 May]* 79
Privatization Proceeding 'Slowly' in Tbilisi *[SVOBODNAYA GRUZIYA 10 May]* 79
Poll Conducted on Joining CIS *[SAKARTVELOS RESPUBLIKA 10 May]* 80
Poll Shows Majority Unaware of CIS Summit Results
[SAKARTVELOS RESPUBLIKA 10 May] 80
Poll Shows 69 Percent of Population 'in Need' *[REZONANSI 11 May]* 80
Electric Power Line Blown Up in Abkhazia *[Moscow Radio]* 80

BALTIC STATES

Estonia

Vote of No Confidence in Prime Minister Discussed 81
Laar Quoted at News Conference *[ETA]* 81
Independents Seek Laar Resignation *[BNS]* 81
Laar Deems Situation 'Intolerable' *[BNS]* 81
Sinissar Deems Changes 'Necessary' *[ETA]* 81
Government Holds Emergency Session To Consider Resigning *[ITAR-TASS]* 82
Not Resigning; Changes Expected *[ITAR-TASS]* 82
Five Ministers Reportedly To Resign *[Moscow Radio]* 82
President Meets With Visiting U.S. Defense Team *[BNS]* 83
U.S. Envoy's Claims of Support for Baltic Battalion Noted *[BNS]* 83
'No Technical Problems' Seen in Dismantling Paldiski *[ETA]* 83
Laar Regrets Russia's Refusal To Take Part in Conference *[INTERFAX]* 83
Prime Minister Confers With CSCE Commissioner *[INTERFAX]* 84
Amendments for 'Corrections' to Farm Reform Law Drafted *[BNS]* 84
Halt To Ostankino Broadcasts Incurs Local Cost *[IZVESTIYA 17 May]* 84

Latvia

Foreign Minister: Baltics Support Idea of Stability Pact *[Riga Radio]* 84
Birkavs Satisfied with Visit to Finland *[Riga Radio]* 85
Cabinet Approves Bill on Unemployment Benefits *[BNS]* 85
Ministers Suspected of Working for KGB Urged To Resign
[NEZAVISIMAYA GAZETA 18 May] 85
Legislature Changes Budget Law, Increases Internal Debt *[DIENA 6 May]* 86
Christian Democrats Outline Program Before Local Elections *[DIENA 11 May]* 86
'Major' Monetary Irregularities Found in Immigration Office *[BNS]* 87

Lithuania

Prime Minister Addresses World Bank Meeting *[BNS]* 87
Swedish Foreign Minister Visits, Urges Russian Withdrawal *[ELTA]* 88
TV Agreement With Poland Extended 1 Year *[Warsaw Radio]* 89

CSCE Report Reviews Peacemaking Efforts in CIS

LD1805165994 Moscow ITAR-TASS in English 1359 GMT 18 May 94

[By ITAR-TASS correspondent Aleksandr Kuzmin]

[Text] Vienna May 18 TASS—The CSCE nations are actively seeking ways to enhance the effectiveness of their peace-making efforts, to strengthen confidence and security on the European continent. This conclusion is warranted by the CSCE report on the results of its work in 1993, released in Vienna today.

The document points out that the developments of 1993 had occurred against the background of futile efforts to promote stability in the region. Bloody wars are still continuing in the Balkans, in Transcaucasia and in Tajikistan. There is persistent tension in inter-ethnic relations and the danger of new conflicts is still imminent.

In these conditions the CSCE nations did their best to hold various consultations and to promote a dialogue on problems of current policy. Their new organ—the Vienna group of the committee of senior CSCE officials—has held more than thirty meetings during the reviewed period. CSCE peace-keeping missions have worked in many regions, including former Yugoslavia and the former republics of the Soviet Union. Their purpose was to help find a lasting, all-embracing political settlement for the conflicts, to find a mechanism to facilitate negotiations between the conflicting sides.

The document specially notes the role of the CSCE high commissioner for the affairs of national minorities, who visited the Baltic states, Slovakia, Hungary, and Romania. He has submitted several valuable recommendations to guarantee the observance of human rights.

The report stresses that one of the CSCE most important tasks is to strengthen cooperation in the sphere of security, to control armaments and promote disarmament.

"The past year has proved that the CSCE is a living organism, capable of making an important contribution to the prevention of regional conflicts, to the promotion of peace-making measures and security on the continent," ITAR-TASS was told by CSCE Secretary-General Wilhelm Heink. He noted that in the coming period the CSCE nations planned to pay more attention to humanitarian aspects of cooperation, to expand their interaction in the sphere of preventive diplomacy, to activate relations with other international organisations and institutions, primarily with the United Nations.

EU Still at Odds on Partnership With Russia, Ukraine

PM1805135194 Moscow IZVESTIYA in Russian 18 May 94 p 3

[Yuriy Kovalenko report: "Europeans Expecting Leonid Kravchuk on Island of Corfu. Boris Yeltsin Has Not Yet Received an Invitation"]

[Text] Paris—At the present time there is a lack of unity among EU member states regarding partnership agreements with Russia and Ukraine, plans for which were examined at a foreign ministers' meeting in Brussels.

The majority, led by Willy Claes, head of the Belgian foreign policy department, want Boris Yeltsin and Leonid Kravchuk to sign a partnership agreement at the EU summit meeting scheduled for 12-13 June on the Greek island of Corfu. French Foreign Minister Alain Juppe has stated that Paris will oppose the pact unless Moscow agrees to restrict its export of nuclear materials.

France, Alain Juppe stressed, considers the draft partnership agreement drawn up last week in Moscow by experts of the EU and Russia to be unacceptable.

France is worried that cheaper Russian exports will hit its supplies of nuclear materials to the EU. In 1993, according to Western data, CIS countries sold the EU a total of 3,000 cubic tonnes of uranium worth $1 billion—approximately 25 percent of Western Europe's requirements.

Signing a simultaneous partnership agreement with Russia and Ukraine, the EU believes, will on the one hand help these two countries' economies, and on the other hand will lead to a reduction in the tension in relations between Moscow and Kiev.

Among other things, the partnership agreement envisages the elimination of restrictions on Russian exports of steel, textiles, automobiles, television sets, radio sets, and vodka, and at the same time strengthens guarantees for Western investments.

In 1992 Russian supplies to the EU (mainly energy sources and certain metals) totaled $17 billion, or almost one-half of all Russia's exports. This is 20 times more than Russia supplies to the United States, and almost 10 times what it supplies to Japan.

Special attention at the ministers' meeting was devoted to the situation in Ukraine.

The ministers agreed to help Ukraine resolve the problems connected with closing down Chernobyl Nuclear Electric Power Station. However, Kiev will not receive the $6-8 billion it has demanded as compensation for closing down Chernobyl.

France Fears Russia-EU Accord To Harm Uranium Industry

PM1905081594 Moscow IZVESTIYA in Russian 19 May 94 First Edition pp 1-2

[Aleksey Portanskiy report: "Signing of Partnership Agreement with European Union Probably Being Postponed"]

[Text] The signing of a large-scale document between Russia and the European Union [EU]—the Agreement on Partnership and Cooperation, which took 18 months to elaborate and was already largely completed by the end of last year—is being postponed again and, for the moment, indefinitely. This situation emerged in the negotiating process in the past few days despite the objective desire of Brussels and Moscow for an accord.

I would remind you that in Brussels on 9 December President Boris Yeltsin and EU leaders signed the "Joint Political Declaration on Partnership and Cooperation between the Russian Federation and the European Union." The point of this document, both sides believed, was that at that moment the Partnership Agreement was not completely ready—a whole series of technical points had to be cleared up. So, in order to enshrine at a high political level the joint will and readiness to sign the main document, the leaders of Russia and the EU decided to formulate a declaration of intent which would reflect the main points of the Agreement.

Without going into the details of the Partnership Agreement itself, I should merely like to note that this is the first legally significant international document in which Russia is regarded not as a state with a centralized economy but as a country with an economic system in transition to the market. This gives us a whole series of trade advantages, both immediate and long-term, and makes it possible to shift our relations with the EU countries to the level that exists between the EU and the United States or the EU and Japan.

However, the aforementioned "technical difficulties" in the text of the document consequently developed, contrary to the sides' expectations, into difficult obstacles to the signing of the Agreement. One of them emerged over the appearance in November last year of Yeltsin's well-known edict on Western banks; another is connected with the trade in nuclear materials and affects the interests of France, an EU member.

The optimism shown by Moscow and Brussels last December during Yeltsin's visit to Belgium was well founded—Vice Premier Aleksandr Shokhin and Sir Leon Brittan, deputy chairman of the EU Commissioner, the chief participants in the talks, had managed at that time to find a solution to the tangle of contradictions that had developed. This solution is a most complex sequence of mutual compromises and concessions in various economic sectors where a snag at one level would ruin all the rest.

At the start of May Shokhin and Brittan met again for the same reason—their previous accord had not worked. The second solution seemed to have opened the way if not to the signing of the Agreement then at least to its initialing in June. However, at the EU foreign ministers' meeting in Brussels on Monday France's Alain Juppe unexpectedly stated that the draft Agreement on Partnership with the Russian Federation was unacceptable. For the same reason as before: Paris is concerned that Russian exports of uranium will harm its trade in nuclear materials in the EU.

"We are very worried about the recent development of events over the agreement with the EU," Georgiy Gabuniya, leader of the Russian Government delegation to the talks with the EU on the economic section of the Agreement, said in an exclusive interview for IZVESTIYA. "The French position puzzles us, to put it mildly, because it has no economic foundation. That is not simply our objective assessment—during the talks we did not hear one convincing argument from the French in defense of their position. And the general fears that Russia might dump its uranium in the EU in the future have no concrete substance.

"We have already made a concession in the solution that we found: If the uranium agreement is completely unacceptable to the French, let us live within the old regime which has existed since 1989 as part of the previous trade and economic agreement between the USSR and the EC, so as to preserve everything that has been achieved through the most complex negotiations. But even that does not suit Paris. Meanwhile no one has yet complained that we are disrupting the market or creating complications for Western industry."

I would add to what Georgiy Gabuniya said that the uranium sector in France is concentrated in the interests of the Cogema firm, which employs thousands of people and which in recent years has recorded a sharp increase in profits (around $10 million in 1993).

For the time being Paris' position remains really unclear. If a purely sectoral interest (uranium) is being pursued here, why has that not been backed up with documents? Or is this just a pretext for wrecking the whole agreement—in which case the arguments are indeed difficult to formulate.

In the present situation Moscow is quite willing to continue trying to break the deadlock on this problem. However, the ball is now in the court of the EU, with which we are officially holding negotiations. Perhaps some light will be shed by the expected arrival of French Foreign Minister Alain Juppe in Moscow today.

Russia To End Karabakh Mediation if Protocol Not Signed

LD1805163894 Moscow INTERFAX in English 1326 GMT 18 May 94

[Text] Azeri, Armenian, and Karabakh defense chiefs will not meet again with their Russian counterpart as the mediator, Colonel General Georgiy Kondratyev, Russian deputy defense minister, told Interfax Wednesday.

He said that while the Armenian, Karabakh and Russian ministers had signed the protocol on stage-wise end of the Karabakh war, the Azeri defense chief had not. Kondratyev said that Russia would give up its mediation efforts if Baku did not sign.

Kondratyev, who represented Russia in the talks on Nagorno-Karabakh, said that Azeri President Geydar Aliyev was discussing with his top aides whether he should sign the protocol. Kondratyev also said that Vladimir Kazimirov, the Russian president's special envoy, also stayed in the Azeri capital.

According to Kondratyev, the Azeri Defense Minister Mamedrafi Mamedov was not received by Aliyev on May 17. Kondratyev expressed the hope that Azerbaijan would join the protocol.

Experts Fail To Divide Up Soviet Merchant Fleet

LD1805201294 Moscow INTERFAX in English 1819 GMT 18 May 94

[Text] The CIS Executive Secretariat told Interfax that a meeting of experts of CIS foreign ministries in Minsk Wednesday failed to develop criteria for dividing up the Soviet merchant fleet.

Belarusian representatives supported the resolution of the issue on the basis of a multilateral agreement. They proposed that the chairman of the CIS foreign ministers' council look into the possibility of launching consultations on the issue with the Baltic states.

Russia insisted on the merchant fleet's division bilaterally between interested states and the Baltic states. If not approved, Russian experts said they would remove the proposal from the agenda.

Finally, the experts' meeting requested that the foreign ministers' council take adequate measures to divide up the Soviet merchant fleet.

Problems in Eurasian Integration Viewed

PM1905100194 Moscow ROSSIYSKIYE VESTI in Russian 19 May 94 p 3

[Article under the "Viewpoint" rubric by Doctor of Economic Sciences Gleriy Kuzmich Shirokov and Doctor of Historical Sciences Andrey Gennadiyevich Volodin: "The 'Eurasian Union': Anatomy of the Problem"]

[Text] The idea of the "Eurasian Union" has generated conflicting responses. According to the national patriots' thinking this initiative is a reaction to the deepening crisis in the republics of the former USSR and the result of the realization by the new regional elites of the futility of their chosen socioeconomic and political course. The democrats, on the other hand, tend to believe that the projected unification takes no account of the fact that there are several civilizations existing in the former USSR, of different levels of socioeconomic development, and of different types of political consciousness and political culture. Between these positions—to repeat Goethe's well-known thesis—is not the truth but a most complex political problem.

Why has the idea of the "Eurasian Union" arisen, and how realistic is it? It has now become clear that the centrifugal tendencies are now giving way to centripetal ones. However, it is important to understand the reasons for the alternation of centrifugal and centripetal cycles in our history.

The processes of disintegration reflected the sharp decline in the effectiveness of the archaic "Union" state organism, whose structures (institutions) and functions had entered into irreconcilable conflict with the development of modern industrial society. This lack of correspondence became grotesque when viewed against the background of the Union leadership's inability to offer a concept (or more precisely a strategy) of modernization which was convincing to society as a whole and attractive to the republic elites as they sought to find a cosy "niche" for themselves in the common "edifice" of the Union (the proposals to conclude a new Union Treaty in the late eighties). The formation of new regional elites, which had infantile notions of the laws of economics and thus made the winning of sovereignty a legitimate basis for the ascent to power, was accelerated by the elections of 1989-1990. In addition, beginning in 1985, the USSR's political system was in thrall to internal destabilizing factors because the center was taking ever-diminishing account of the "traditional" regional elites (the unceremonious removal without adequate replacement of such leaders as D. Kunayev, V. Shcherbitskiy, and G. Aliyev, whatever the reasons for those actions were).

The centrifugal tendencies increased because of the inability of the state party (the CPSU) to perform the once-customary functions of integrating society horizontally (the link between various territories and ethnic groups) and vertically (the "pyramids" of power which maintained the continuity of administration and control of society). Then the ruling party effectively lost the function of politically socializing ambitious individuals—the "informal leaders" (these functions passed over to the opposition movements, fronts, and nascent parties).

The idea of the "Eurasian Union" and of the restoration of the single area is an attempt to reverse the disintegration tendencies and change the direction of our common

development. Thus it is necessary to see clearly both the merits and the dubious aspects of the former union state. On the one hand the rigid federal pattern hampered processes which are natural on such a vast territory—the processes of decentralization and the increasing stability of a system achieved by means of effective components acting on their own initiative. Regionalism and separatism encouraged the attempts of the Union center to restrict the manifestation of cultural identity by ethnic groups. On the other hand, the republics were drawn into the division of labor by means of the transfer of resources from the more developed to the less developed regions (the theme of the "nonclassical Russian empire" in which the "colonies" developed at the expense of the "homeland" impresses both the democrats and the patriots). Furthermore, the interrepublic division of labor stimulated the training of cadres on a modern basis—which promoted the emergence in the republics of a contemporary economic and political elite. In present conditions the idea of the "Eurasian Union" is an instrument for overcoming such consequences of decentralization as the sharp worsening of the economic and political situation, improvisations in the socioeconomic course (attempts are often made to compensate for its effective collapse by surrealistic appeals to the "national idea," by accusing the Russian-speaking population and the Russian army of aggravating economic and ecological problems, and so forth), customs barriers which are finally destroying the economies of the republics, the introduction of untenable ("soft") currencies, intensified migration, and so forth.

The implementation of the "Eurasian initiative" must presuppose the consideration of two interconnected factors. Number one: the realization of the need to recreate a single area must occur naturally and spontaneously. Number two: As soon as the significance of the "Eurasian Union" idea itself is realized, the "Eurasian Union" may then emerge not spontaneously but as a result of a conscious countermovement by the former republics. The structuring of the new common area takes time, great political skill, and tact. It should not be forgotten that, for all the burdens and deprivations of the post-Soviet period, the idea of an autonomous national existence still inspires the vital forces of a certain section of the population in the republics, because the formation of the national consciousness is still not complete and economic interests are often perceived and molded by an elite on the basis of ideological values, the main one of which is the "national idea." In addition, the restoration of the area which has been destroyed may entail significant political and economic losses for the new national elites, especially those brought to the surface of political life by opposition to the Union center and then to the "imperial policy" of Russia. It is not hard to see that, given the level of competence that has been achieved, these groups could be out of office in the new configuration of forces.

The restoration of the economic ties which have been destroyed is not as simple a task as it may seem. The centralized system of control, management, and distribution has ceased to exist, and a new mechanism for coordinating the interests of the proposed association's components has not yet been formed. It is over two years since the disintegration of the USSR, and in that time there has been a reorientation of foreign economic ties taking place in the republics—within the framework of the former Union as well as outside. (This tendency is particularly clear in Russia, which is making serious efforts to devise a strategy of import substitution). Integration, let us reemphasize, takes time. (Let us recall that in West Europe this process has been going on for over 20 years now). Integration must happen not through coercion but on a strictly voluntary basis: The republics must independently determine for themselves the configuration and range of the powers of "supranational" political and administrative structures and then delegate the necessary powers to them.

The voluntary unification of the republics of the former Union is a model for the common area in the future. What is needed now, however, is to prepare a "timetable" for the negotiating process which will set down a hierarchy of priorities, the sequence of tasks pertaining to integration, and the period in which they are to be accomplished. What can be done right now is to find a common approach to such tasks as the elaboration of a concept of unification, the protection of the CIS borders, military organization and development on a modern basis, the introduction of common customs regulations and tariffs, the restoration of economic ties which take into account variations in the level to which the economies have been reformed, the standardization of information policy, the integration of money circulation, the fight against crime, and the coordination of foreign policy and of the pace and general thrust of the reforms. In other words, we are talking about a confederative formation whose degree of integration will gradually rise.

The idea of the "Eurasian Union" will become considerably more attractive to the republics as the ruling elites come to understand the character of the world system, whose laws of development are now determined entirely by the international competitiveness of national economic systems in the harsh conditions of the scientific and technical revolution. Finally, let us recall Willy Brandt's words: "History is a dynamic process in which nothing remains unchanged."

ITAR-TASS Carries Press Review for 19 May

LD1905054794 Moscow ITAR-TASS in English 0519 GMT 19 May 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow May 19—The nation-wide strike of air carriers is in the centre of attention of the Russian national newspapers on Thursday.

ROSSIYSKIYE VESTI say "the demands of the strikers are quite fair. The air code for which they have been clamouring for a long time sets forth the rules of the

games in the aviation on which air transportation, the health of passengers and flight safety belong. This year Russia has had more major accidents than all the other countries of the world put together."

NEZAVISIMAYA GAZETA comments: "The systemless privatisation of aviation enterprises is leading to the disruption of the existing technological chains and gives rise to a new monopolism. There is no clear-cut division of functions between the airlines and the airports, security, radio navigation and communication services, etc. The financial position of most air transport enterprises and organisations is critical and unstable."

TRUD carried an interview with the leader of the pilots' union, Alexander Malinovsky, who said, "We demand not money but attention on the part of the government to the problems of the industry as a whole. The only profit-makers in the industry are the enterprises which fly abroad." Malinovsky stressed that "the aviators of the north and the far east are in the most critical situation despite the fact that airplanes and helicopters are the only means of transport in their regions".

KOMSOMOLSKAYA PRAVDA states that "The Russian pilots fly better than strike", as the organisation of their labour actions leaves much to be desired.

Most newspapers report extensively on the wednesday meeting with journalists of Vladimir Shumeyko, the speaker of the Upper Chamber of the Russian Parliament. PRAVDA quotes the speaker as saying that "in international affairs we should take guidance not from ideological cliches but from mutual benefit of countries concerned". "This applies to south africa and to cuba", the newspaper writes. In this connection, Shumeyko praised Fidel Castro's intellectual and political potential. Asked about his own political orientation, Shumeyko replies "I am a constitutional monarchist," PRAVDA reports.

KOMSOMOLSKAYA PRAVDA highlights Shumeyko's comment on Sergey Shakhray's resignation as the minister of nationalities and regional policy. "This will by no means affect the state of the inter-regional problems," Shumeyko said. "With Yegorov's coming to the office, the solution of these problems will probably switch from the theoretical phase to a phase of their practical resolution".

NEZAVISIMAYA GAZETA carries an article suggesting that the fate of Sergey Filatov as the presidential chief of staff has been decided. "he will leave the post in the next few days. His chance of retaining the post is negligible," the newspaper says. The newspaper cites a source in the president's staff as saying that a decree dismissing filatov has already been signed by the president, it remains to fill in the date and the outgoing number".

KRASNAYA ZVEZDA says that "peace accord on Abkhazia can spark off internal political clashes. Abkhazian liberation union leader Boris Kukubava has turned to the court with a request to institute criminal proceedings against Georgian leader Eduard Shevardnadze. His appeal says the parliament leader is incriminated under article 65 of the georgian criminal code for assisting the activity of another state. Russia is implied. If this happens, the conflict is abkhazia threatens to re-erupt with a new force".

ROSSIYSKIYE VESTI report that "the governor of Khabarovsk proposes the denunciation of an agreement with China". The reference is to the agreement on the settlement of the eastern stretch of the Russo-Chinese border signed on May 16, 1991. "The head of administration of the Khabarovsk territory is particularly concerned about articles 5 and 8, which draw the border line along navigable rivers and permit vessels of all kinds, including military, to sail without any hindrance close to the city of Khabarovsk", the newspaper says.

TRUD tells the readers about privileges enjoyed by the present staff of the Russian federal government. In an interview with the newspaper Valery Katunov, who is in charge of organizational and technical supplies to the staff, assures the readers that "privileges no longer exist".

Preparations for U.S.-Russian Exercises Halted

LD1905100094 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 19 May 94

[Text] The Russian Defense Ministry has halted preparations for exercises at Totskoye training ground. New talks will be held in June with the Pentagon on the peacekeeping forces' joint exercises. The Defense Ministry informed the Russian State Duma's defense committee of this. It is particularly noted that President Yeltsin agrees with the Duma's position on the need to cancel these exercises.

Joint Exercises With U.S., FRG Troops Criticized

PM1905095194 Moscow SOVETSKAYA ROSSIYA in Russian 19 May 94 p 3

[Article by Oleg Cherkovets: "To the Front Outside the Pentagon...."]

[Text] INTERFAX has reported that Russian Defense Minister P. Grachev in a telephone conversation with his U.S. counterpart, W. Perry, supported the holding of the scheduled joint Russian-U.S. maneuvers at Orenburg Oblast's Totskoye test ground.

This idea, as we know, has given rise to sharp criticism in Russian society. The State Duma has urged President B. Yeltsin to abandon the maneuvers and the latter in turn has "suggested" to the Defense Ministry that it think about rescheduling them—in the interests of "achieving national accord." But that prospect thoroughly displeased the Pentagon, whose high-ranking representatives issued a statement in favor of "rehearsing joint peacekeeping actions."

Meanwhile very curious details became known. The Russian side has rejected the return exercise suggested by the Americans on their territory: Why inconvenience our host, it said! But inconveniencing its own citizens—that is another matter, it can do that.

As V. Semenov, commander in chief of the RUssian Ground Forces, said in an interview with OBSHCHAYA GAZETA, in response to proposals to hold joint exercises on FRG territory the Germans refused. Why did their country need such a "gift?" But Russia, through its defense minister, is giving the go-ahead to a dubious action and counter to assurances that they are seeking "accord" the authorities nonetheless intend to ignore the State Duma decree, the Orenburg Oblast local authorities' decision, and public opinion....

Question of Joining G-7 May Be Raised After Naples

LD1905120094 Moscow ITAR-TASS in English 1116 GMT 19 May 94

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow May 19 TASS—The issue of Russia's joining the "G-7" economic programme may be raised after the summit meeting in Naples, but is not on the current agenda, according to presidential spokesman Vyacheslav Kostikov.

President Boris Yeltsin "is satisfied in principle" with the formula which envisages his fully-fledged participation in the political discussions at the G-7 summit in Naples, Kostikov told reporters on Thursday.

As far as the economic part of the discussion is concerned, "Russia is not raising the issue about fully-fledged participation in (what would be a) G-8", he stressed and added that there should be no haste in the issue.

"However, it is not ruled out that at the next after Naples meeting the issue of a full-scale Russian participation in the economic programme of the Big Seven would be raised", he said.

He also stressed that Boris Yeltsin is preparing for the Naples summit and details will be discussed during his talks with the French and British foreign ministers.

Involvement in G-7 Political Discussion Welcome

PM1905101994 Moscow ROSSIYSKIYE VESTI in Russian 19 May 94 p 3

[Pavel Shinkarenko report: "We Are Joining the G-7"]

[Text] During his recent visit to the FRG Boris Yeltsin discussed with Chancellor Helmut Kohl the prospects for the new, democratic Russia's integration into the world economy and the possibilities of its cooperating with Western industrial states. At the same time the head of the German Government stressed that Bonn is particularly "in favor of involving Russia as extensively as possible in the political section of the G-7 meeting" and is willing to hold appropriate talks with its partners on this.

The FRG chancellor's words along with similar statements by other world leaders provide unequivocal evidence that, whereas the West can still do without Moscow economically, it simply cannot resolve many international political problems without it. That is why the first real step toward the transformation of this elite club has already been taken before our country formally accedes to the G-7. A Russian spokesman—Sergey Lavrov, Russian deputy foreign minister—took part in the recent consultations in Rome between the diplomatic departments of Britain, Germany, Italy, Canada, the United States, France, and Japan on the preparations for the July summit-level meeting in Naples. Thus Moscow is for the first time a coauthor of the program of work for the world leaders' council and not just a "guest of honor."

Our interest in participating in the elite club is justified. The regular G-7 meetings dating back to the mid-seventies constitute one of the most important forums for mutual consultation on pressing problems of international policy and the world economy. And it is quite natural that the former "seven plus one" formula, whereby the head of our state only joined in the debate at the end of the session once the Western countries' joint course had been formulated, could not be effective. Russia's participation at the stage where the agenda is drawn up is expected to be far more productive.

Italy, which is to chair the coming session in Naples, has still not announced the range of problems scheduled for discussion. But it can be assumed that the question of settling the conflicts in Bosnia and the Near East, the role of the United Nations and its peacemaking forces in this process, the state of affairs in Africa, and the development of the political processes in South Africa, the Asia-Pacific region, and other parts of the world will top the list. Discussion is also expected to turn to the situation in the CIS countries, primarily in the hot spots of Nagorno-Karabakh, Tajikistan, Georgia, and Abkhazia.

As for the meeting's economic program, that will still be discussed without Boris Yeltsin's involvement. Nevertheless the strategic problems involved in Russia's integration in the world economy which Chancellor Kohl mentioned in particular will obviously not be ignored. I hope that the Russian president's words are heeded when the prospect of affording aid for Russia's reforms is considered. The Russian Foreign Ministry believes, for instance, that the Naples meeting should discuss the question not so much of expanding this aid as of the West's meeting its prior commitments and observing the priorities formulated with the Russian president's participation at the previous meetings in Munich and Tokyo. These being support for reforms, the development of privatization and private business, an easing of the foreign debt burden, and improved terms for Russian goods' access to world markets.

Needless to say, one meeting will not be able to drastically improve the situation for Russia. But it will reflect the trend within the world community and will thus be another "brick" in the edifice of good-neighborliness and mutual assistance on our planet.

Grachev To Seek Special NATO Status for Russia

LD1905104994 Moscow ITAR-TASS in English 1018 GMT 19 May 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow May 19 TASS—"I think we will succeed in talking our Western partner into granting Russia special status if it joins the NATO program "Partnership for Peace", Russian Defence Minister Pavel Grachev told ITAR-TASS after today's Cabinet meeting.

The Russian defence minister is to fly to Brussels soon to take part in the NATO Council session.

Grachev said his ministry has prepared specific proposals, which have been agreed with the Russian Foreign Ministry and will be handed over to the Russian president for approval today. If NATO shows interest in the position of Russia, the Russian defence minister is prepared to formally present its proposals to the members of the North Atlantic Alliance.

Grachev stressed however that the main objective of his trip to Brussels was not to discuss Partnership for Peace but to address the NATO military ministers and other invited defence ministers from European and some Commonwealth countries and explain Russia's defence doctrine, including the use of nuclear arms.

Shumeyko: No Hurry To Join NATO Partnership

LD1905130894 Moscow INTERFAX in English 1124 GMT 19 May 94

[Text] Chairman of the Federation Council of the Russian parliament Vladimir Shumeyko believes that before joining the program Partnership for Peace, it is necessary to see whether Russia will lose on its interests and what it stands to gain from putting its signature under the document.

I believe there is not need to hurry up with the solution of the problem, he said in an interview with Interfax.

Shumeyko said that jokingly he calls the Partnership for Peace program, the "partnership for NATO" program .

He favored an immediate creation of CIS peace-keeping forces. He said that at present about 15,000 Russian military servicemen are performing peace-keeping functions in the republics of the former Soviet Union, while Russia alone carries all the financial burden for them.

Shumeyko said that the CSCE and the United Nations are unable to carry out in the CIS countries serious peace-keeping operations due to a shortage of finances.

Rybkin Says Russia 'in no Hurry' To Join CE

LD1905115094 Moscow ITAR-TASS in English 1057 GMT 19 May 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow May 19 TASS—"Russia is in no hurry to join the Council of Europe, but should not be late either", Russian State Duma Speaker Ivan Rybkin said at a meeting with Miguel Martinez, chairman of the Interparliamentary Assembly of the Council of Europe, on Thursday.

Martinez, in his turn, said he would like to see Russia as a fully-fledged member of the Council and added that only a few countries still doubt the necessity. He drew

Rybkin's attention in this connection to the position of Poland and the Baltic states.

Rybkin assured his guest that Russia would withdraw its troops from Germany and the Baltic states "on time".

Finnish President Arrives in Moscow on Two-Day Visit

LD1805085794 Moscow ITAR-TASS in English 0807 GMT 18 May 94

[By ITAR-TASS diplomatic correspondent Boris Krivoshey]

[Text] Moscow May 18 TASS—Finnish President Martti Ahtisaari arrived for an official visit to Moscow on Wednesday. He was welcomed on the tarmac by Russian Prime Minister Viktor Chernomyrdin.

During his two day visit, the Finnish president is due to meet President Boris Yeltsin and other leaders of the government and parliament.

The talks are expected to centre around bilateral relations, European security and problems relating to the settlement of the crisis in the former Yugoslavia and the situation in the Baltic countries.

Ahtisaari Makes Predeparture Remarks

PM1805123794 Moscow IZVESTIYA in Russian 18 May 94 p 3

[Marat Zubko report: "Finnish President on Karelian Issue"]

[Text] Helsinki—"Last year Finnish exports to Russia increased by one-third, and imports from our country doubled!" Finnish President Martti Ahtisaari told Russian journalists before setting off on his visit to Moscow.

During this talk, Martti Ahtisaari was asked: "Is the Karelian question on the agenda at this time?" In reply, the president said that it all depended on what was meant by the Karelian question. If the thrust of the question is directed at ties between Finnish provinces and Karelia within the framework of cooperation between the neighboring regions of our countries, then we can have a sensible discussion about this topic.

Is Finland assuming the role of an intermediary in the conflict between Russia and Estonia? If both sides propose such a role to us, Martti Ahtisaari stated, we will have to examine whether or not we have the prerequisites for this task. During his visit to Russia, the president intends to listen attentively to everything that is said to him on this subject.

Views Ties on Eve of Visit

PM1805131794 Moscow ROSSIYSKIYE VESTI in Russian 18 May 94 p 1

[RIA NOVOSTI correspondent Leonid Laakso report for ROSSIYSKIYE VESTI of Finnish President M. Ahtisaari's meeting with group of Russian journalists; date and place not given: "Martti Ahtisaari: Finland Could Become Russia's Nearest Outlet To Europe. The New Finnish President's First Official Visit to Moscow Begins Today"—first three paragraphs are introduction]

[Text] On the eve of his visit to Moscow President Martti Ahtisaari met with a group of Russian journalists. During the conversation he gave his assessment of the current state of Russian-Finnish relations and shared his vision of their future, and answered questions, including those posed by ROSSIYSKIYE VESTI.

In particular, describing the current phase of Russian-Finnish relations, Martti Ahtisaari said that he considers them to be exceptionally good, and hopes that his forthcoming visit will promote their further development. In addition, Martti Ahtisaari expressed the hope that, as a result of his forthcoming meetings in Moscow, he will be able to deepen his understanding of the processes which are taking place in the social, economic, and political life of Russia.

The meeting with President Martti Ahtisaari left an impression of him as a calm, balanced person, that is to say the classic model of the Nordic person. At the same time his manner of speaking reveals the experienced diplomat. He undertook to answer all the questions posed directly, but to some of them he gave only pointers, leaving the interlocutor himself the right to draw conclusions.

[Question] Are there any unresolved problems between Russia and Finland? In particular, is the so-called "Karelian question" pertinent?

[Ahtisaari] It all depends on what we mean when posing it. In may view, it is above all a question of developing relations between Finland and the Republic of Karelia as adjacent regions of two countries, and we could have a lengthy conversation on this subject. On the whole I would describe the problems which exist as natural ones for partners, that is to say, they are the sort of problems which arise to confront the sides, to be solved as their cooperation develops. For example, questions connected with the need to open new border-crossing points require constant negotiations at various levels of state power. But we have no problems that could be called insoluble.

[Question] How do you see the main, priority avenues of economic cooperation between Russian and Finland in the light of the fact that Finland, all the signs suggest, is going to join the European Union?

[Ahtisaari] Last year was marked by the exceptionally favorable development of trade relations between our countries. Exports from Russia increased by one-third,

and Finnish imports almost doubled. In addition, there was a significant broadening of the range of goods. The latest customs department statistics testify that this trend in trade development is continuing in the current year.

In my view, this means that Finnish and Russian enterprises have found one another. I think—and this finds confirmation in the trade statistics—that we have already reached the end of the initial learning curve, which is necessary for the transition from state jurisdiction over foreign trade to the establishment of foreign trade at the level of enterprises. Hence it is no accident that there is no shortage of business representatives in the delegation which is coming with me to Moscow.

As for Finland's future of as regards the EU, the question of EU entry will be finally settled—positively, I hope—during a referendum on this question in the fall. I believe that even bigger opportunities for extending and deepening cooperation between our countries open up as a result of our probable entry into that organization. If Finland becomes an EU member, it will be Russia's nearest outlet to the European market. I hope that we Finns will be able to use our "know-how," our experience of conducting business with Russians, for the further development and stimulation of cooperation in new conditions.

[Question] What can you say about the current state of cooperation between adjacent regions?

[Ahtisaari] Finland's cooperation with St. Petersburg, Leningrad Oblast, the Republic of Karelia, and Murmansk Oblast has already outgrown the framework of the interstate protocol, and it is frequently impossible to keep up with the speed of developing cooperation. This is just as it should be between neighbors, and here the main thing is that state organs manage to create the prerequisites for further cooperation at the level of enterprises and firms.

However, despite the scale of the market between adjacent territories, Finland's interests extend further. The Finnish economy contains priority sectors whose achievements can be used far more extensively. I have in mind the timber and paper-making industries, ship building, electronics, chemicals, and other sectors. I believe that cooperation in these sectors could be of interest not just to nearby regions.

[Question] Finland and Russia are neighboring countries; what happens in Russia is not a matter of indifference here. How will events in Russia develop, in your view?

[Ahtisaari] I would be pleased to answer that question after the end of my visit, but I will try to give you my impressions right now. Russia has a material base in the shape of vast natural resources, and this is a basis for the development of the economy. As for sociopolitical development, this is always a complex process, especially in periods of radical change. For example, unemployment in Finland currently stands at almost 500,000, and this is painfully reflected in society. It is very important that Russia undertakes a search for paths of accord in order to maintain stability in society.

As neighbors, we follow Russia's efforts to transform its country with great sympathy. Therefore, within the limits of our existing resources, we would like to take part in this process. It is important that cooperation develops in all areas of vital activity. In this respect it is gratifying that lively, active relations have been established between Finnish parliamentarians and the deputies of Russia's revived Duma; also pleasing is the growing cooperation between the governments of our countries. I hope that all this will enable our peoples to respond properly to the challenge of the times.

Yeltsin Meets With Finnish President

LD1805134894 Moscow ITAR-TASS in English 1314 GMT 18 May 94

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow May 18 TASS—Russian President Boris Yeltsin said, opening the next round of Russo-Finnish talks attended by other officials, that at a meeting of Russian and Finnish presidents, which just ended in the Kremlin, a broad range of problems was discussed.

According to the Russian president, the head of the two countries discussed political, socio-economic issues and international problems. "It is very good that there is no pause in our relations: the recently elected new Finnish president paid one of his first visits to Russia," Yeltsin said.

Apart from the Russian president, the official talks are being attended by Russian Foreign Minister Andrey Kozyrev, Russian Economics Minister Aleksandr Shokhin and other officials.

"There are no political problems between the two countries," said Russian President Boris Yeltsin, answering journalists' questions about the results of Russo-Finnish summit talks. Yeltsin said that during one-on-one talks with the Finnish President Martti Ahtisaari as well as during talks between the Russian and Finnish delegations about 20 different problems were discussed. Yeltsin pointed out that on all international problems, including the Yugoslav crisis, the position of the two sides coincide.

In particular, the Russian president mentioned the construction of a big gas pipe line Yamburg-Germany in the north with an extension to Finland. According to the Russian president, an agreement was reached on the settlement of the problem of Russia's inconsiderable foreign debt. There is no agreement between Russia and Finland yet on double taxation and protection of investments, the Russian president said, adding that the sides agreed to prepare such agreements.

Yeltsin pointed out that one of the main problems discussed was Russia's decision to give special guarantees to foreign companies which will make investments into Russia at the level of the Central Bank and the Finance Ministry, guaranteeing them against political risks.

"This was one of the most important questions raised by foreign companies which was lifted today," Yeltsin said.

For his part, the Finnish president said that the fact that he arrived in Russia almost immediately after he was elected president shows that relations of cooperation between the two countries are at a good level. Bilateral economic cooperation has been successfully developing for a number of years, Ahtisaari said. The Finnish president shared Yeltsin's opinion that there are no political problems between the two countries. He expressed the hope that in future, when Finland joins the economic union, its cooperation with Russia will successfully develop as well.

Hints at Big Projects for Finland

LD1805153394 Helsinki Suomen Yleisradio Network in Finnish 1300 GMT 18 May 94

[Excerpts] Russian President Boris Yeltsin hints that Finland may win big economic projects with Russia. Yeltsin expressed his view to President Martti Ahtisaari who started his visit to Moscow this morning. Matti Torma reports from Moscow:

[Torma] [passage omitted] Both Ahtisaari and Yeltsin attended a meeting of the delegations from the two countries. After the meeting ended, Yeltsin and Ahtisaari gave a joint news conference, at which both Yeltsin and Ahtisaari announced that there are no political problems between the countries.

As for actual matters of substance, Yeltsin expressed hope that Finland and Russia will rapidly achieve an agreement on avoiding dual taxation as well as on investment protection for Finnish investments. As regards the economy, Yeltsin also hinted that new big projects may be forthcoming, but he would not specify what they might be. Ahtisaari also said that economic relations between Finland and Russia have developed well in the last few years. Already trade has increased to 70 percent of the 1990 level and the economic commission's work has gotten off to a brisk start. According to Ahtisaari, Finland's possible EU membership will also further consolidate cooperation with Russia.

In the economy, there is room for improvement in the financing of trade—which was indeed raised during the talks, Ahtisaari said.

In answer to a question about whether Yeltsin condemns the Soviet Union's seizure of Karelia during the Stalin era, Yeltsin replied playfully that "We don't allow that." Foreign Minister Andrey Kozyrev, for his part, at the end of the press conference put an end, at least for the time being, to the debate concerning Finland's possible mediation in settling the disputes between Russia and the Baltic countries. The mediation is not needed, Kozyrev said.

Chernomyrdin Meets With Ahtisaari

LD1805142994 Moscow ITAR-TASS World Service in Russian 1351 GMT 18 May 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow, 18 May (ITAR-TASS)—Although Russian-Finnish trade and economic relations have now entered a more active period, we still have not managed to regain the peak levels of former years, said Russian Federation Prime Minister Viktor Chernomyrdin today after holding talks with President Martti Ahtisaari of Finland. In order to achieve this objective the Russian Government assigns a significant role to the country's regions, which are capable of establishing partnership ties with Finland of their own accord. During 1993, overall trade between the two countries grew by 40 percent compared with the preceding year.

President Ahtisaari, who is paying an official visit to Russia, expressed satisfaction with his talks in Moscow. Among other things, specific plans for economic cooperation between the two countries were discussed. Responding to a question from an ITAR-TASS correspondent, the Finnish president said that Finland's forthcoming membership of the European Community will not impair but, on the contrary, will expand opportunities for bilateral Russian-Finnish cooperation. He cited the example of funding for joint projects.

The further development of traditional trade and economic relations between Russia and Finland is essential to both countries, Viktor Chernomyrdin noted at a short briefing after the talks. We see no obstacles or special difficulties in the way of this. With whom have we always found mutual understanding, if not with Finland, the Russian premier asked?

Kozyrev Praises Results of Meeting

LD1805143094 Moscow ITAR-TASS World Service in Russian 1317 GMT 18 May 94

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, 18 May—Russian Foreign Minister Andrey Kozyrev has highly praised the results of today's Russian-Finnish summit attended by the presidents of the two countries: Boris Yeltsin and Martti Ahtisaari.

During a conversation with journalists at the end of the talks, he said that Finland has given Russia great support in the implementation of its initiative to create a post of the commissioner for Baltic sea countries for human rights, including the rights of people belonging to ethnic minorities. This complicated matter will be discussed at

the forthcoming meeting in Tallinn between representatives from the Baltic sea countries, which will also be attended by the Russian foreign minister.

It is the Finnish diplomacy, according to him, which played a mediatory role and helped to work out a compromise according to which the commissioner has been given a clear mandate to deal with human rights in the Baltics. "High standards reached in the area of human rights in Finland, Sweden, and other countries of the Baltic sea must be emulated," continued the minister. "We are not demanding privileges for the Russian speaking population, but we are demanding equality and will not compromise on this."

Andrey Kozyrev said that in August there will be meeting of representatives from the Barents sea countries and that Finland is involved in the preparation of the meeting.

Andrey Kozyrev noted that not all the questions on the agenda were easy, "But what is important is that they are not at the heart of a political dispute." One of the most important positive factors in Russian-Finnish relations is the fact that neither side has any territorial claims. "All these matters have been fully settled through bilateral agreements and through the CSCE," he said.

Yeltsin, Kozyrev Comment on Finnish Talks

LD1805173594 Moscow INTERFAX in English 1552 GMT 18 May 94

[Text] As a result of the Wednesday Russian-Finnish talks in the Kremlin the Russian Central Bank and Ministry of Finance have been instructed to work out a system guaranteeing foreign investments against political risks. Such certificates will stimulate Finnish investments in the Russian economy, the Finnish President Martti Ahtisaari told the press after his talks with President Boris Yeltsin.

According to Yeltsin, the talks were very fruitful for the simple reason that they offered many concrete venues to Russian-Finnish relations at a new level. Among other things the two sides discussed the speedy adoption of legislation for the protection of investments, the prevention of dual taxation and several others matters that should stimulate economic relations.

Yeltsin also said that several new big projects were discussed with the Finnish president, in particular the construction of the Yamburg-Germany gas pipeline in North Russia with a branch to Finland. Ahtisaari is going to discuss the matter with Prime Minister Chernomyrdin later on Wednesday, Yeltsin announced.

Yeltsin said that the Russian debt to Finland is small and ways of regulating it were discussed. He stressed that Russia and Finland have no political problems.

Answering a question from Interfax after the Kremlin talks the Russian Foreign Minister Andrey Kozyrev called them very successful, fruitful and dynamic. He said they went far beyond bilateral relations.

Kozyrev was satisfied that the Finnish side confirmed the need for establishing the post of a human rights commissioner for Baltic countries similar to the one existing in the framework of the CSCE. He said this is especially important in view of the upcoming meeting of Baltic foreign ministers in Tallinn. "Until recently the debate on the matter was very difficult, he said, and I even thought of not going to Tallinn."

Kozyrev said that Russian-Finnish relations, the absence of any territorial problems between the two sides can become a good example for Baltic countries, Latvia and Estonia in particular, so that they would not lay any territorial claims to Russia.

"We cannot retreat from the principles or essence of CSCE decisions and make territorial claims to each other. This would be tantamount to opening Pandora's box", the foreign minister said. To prevent these matters from becoming an obstacle for the world community they should simply never be raised again.

Kozyrev said he did not think Finnish mediation is necessary in Russian-Estonian talks. "We do not need mediators, but we always accept friendly help", he said.

"We do not demand privileges for the Russian-speaking community in Baltic countries. We demand equality. It is not a Russian question, it is a question of human rights and morality", Kozyrev said.

Yeltsin Hosts Official Dinner

LD1805170994 Moscow ITAR-TASS World Service in Russian 1604 GMT 18 May 94

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, 18 May—An official dinner was given in the Kremlin today by the Russian president in honor of Finland's President Marti Ahtisaari. The heads of the two states made speeches at the dinner.

The visit by the Finnish president to Russia soon after his election to the supreme state post confirms that our northwestern neighbor is making Russia a priority in its foreign policy, Boris Yeltsin said. We greatly appreciate this and highly value goodneighborly relations between our countries.

He said that his conversation with Martti Ahtisaari showed the existence of a high degree of trust and mutual respect. "I am confident that in the future, we shall also be able to conduct a productive dialogue, especially where questions of security and urgent issues of Russian-Finnish cooperation are involved" he said.

The Russian president paid special attention to the importance of trade and the economic partnership, saying that "as before, we attach primary importance to

developing our relations with Finland in this sphere." "The situation seems most favorable for the interaction of business circles in the adjacent border regions of Russia and Finland," Boris Yeltsin said. "Modern forms of cooperation, such as production cooperation, compensation deals, and joint ventures have already been tested."

He noted that "an important place in regional cooperation is occupied by cooperation in environmental protection. The serious ecological situation that is developing in the Baltic basin and on the Kola Peninsula requires constant, coordinated action."

Our scientific, cultural, and humanitarian cooperation also has room for expansion. "In general, we have a lot to do, but we look to the future with optimism," Boris Yeltsin said, wishing the people of the friendly land of Suomi success and prosperity.

"We certainly wish to preserve everything positive that has been achieved over the decades in our relations and make efforts toward the further development of our cooperation," Marrti Ahtisaari said. He noted that the Russo-Finnish bilateral agreements had been put together in such a way that they corresponded to the new situation that had arisen since the disintegration of the Soviet Union, when Russia took its place as Finland's eastern neighbor. Difficulties had arisen in economic cooperation between the two countries at that time, but events had taken an abrupt turn for the better last year, the Finnish president said. The agreements that had already been concluded and about which talks were still in progress would assist in the creation of stability in this development, he noted.

The Finnish president noted the need to make every effort to further develop and strengthen international cooperation and disarmament, which promote world security. Finland will continue to make its contribution toward strengthening the structures of cooperation in Europe and settling conflicts that have deteriorated to the point of armed clashes, he assured his listeners.

The head of the Finnish state voiced the hope that relations between Russia and the new independent Baltic states will soon become stable and good.

The Finnish president expressed his sincere gratitude to the Russian president for the hospitality shown him in Moscow. He proposed a toast to good relations between Finland and Russia and to the happiness of the people of Russia.

Ahtisaari Meets Shumeyko, Rybkin

LD1905101894 Moscow ITAR-TASS World Service in Russian 0840 GMT 19 May 94

[By ITAR-TASS diplomatic correspondent Denis Perkin]

[Text] Moscow, 19 May—Finnish President Martti Ahtisaari has just left Moscow. On the last day of his official visit to the Russian capital he met with Vladimir Shumeyko and Ivan Rybkin, chairmen of the two chambers of the Russian Federal Assembly.

During yesterday's talks, Martti Ahtisaari and Russian President Boris Yeltsin discussed about 20 questions concerning bilateral relations and international affairs.

"There are no political problems between Russia and Finland;" this is how Boris Yeltsin described the outcome of the talks. Both countries' points of view on international problems, including the Yugoslav crisis, coincide, he noted.

On Thursday, M. Ahtisaari had a meeting with Russian Prime Minister Viktor Chernomyrdin. During the conversation they discussed bilateral commercial and economic cooperation and the Russian regions' more active involvement in partnership with Finland.

Ahtisaari Meets With Rybkin

LD1905114594 Moscow ITAR-TASS in English 1106 GMT 19 May 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow May 19 TASS—Russian parliament lower house speaker Ivan Rybkin and Finnish President Martti Ahtisaari, who met at the lower house on Thursday, expressed satisfaction with the development of relations between the two neighbouring countries.

Russian-Finnish contacts, including those at the parliamentary level, will develop in future too. Rybkin informed the high guest that Russian people wait with interest for a visit to Moscow by the Finnish parliament speaker.

The sides pointed to the importance of developing further economic cooperation between the two states, which, as they put it, should be given a boost. The president displayed interest in how investment legislation progresses in Russia. "The question of guarantees is of top priority for us," he noted.

Rybkin described the economic and political situation in the country to the president, stressing that "it was not an easy thing for us to adopt" the Social Accord Treaty.

He noted that it was fathered by the State Duma (lower house) which adopted a decision on economic and political amnesty last February.

"When the process was joined by the president who buttressed it with his prestige, the cause of consolidation picked up much more speed," he said.

"We in the State Duma supported the government's unpopular measures by adopting a very tense federal budget for this year in the first reading and made this move consciously," Rybkin said, stressing that "we should bear the burden of our reforms together with the government".

"It is important that social accord was reached and that cooperation between the two arms of Russian Government is successfully developing," Ahtisaari said. "I had the same impression after my talks with Boris Yeltsin and Viktor Chernomyrdin," the president added.

Ahtisaari's Visit Reviewed

LD1905110894 Moscow ITAR-TASS in English 1041 GMT 19 May 94

[By ITAR-TASS]

[TYext] Moscow May 19 TASS—Finnish President Martti Ahtisaari was on an official visit to Moscow on May 18-19 at the invitation of Russian President Boris Yeltsin. During the visit an intensive dialogue on bilateral and other important regional and international problems was held.

The Russian president's press service reported that the two presidents noted with satisfaction the succession of good-neighborly relations and the absence of problems of political character in the relations between the two neighboring countries. The talks showed a high degree of confidence characteristic of Russo-Finnish relations and confirmed that the relations between the two countries are stable and are not subject to any political fluctuations.

During the talks and meetings problems of trade and economic cooperation between the two countries were discussed. The sides pointed out a common desire to look for mutually acceptable solutions of problems which appeared in this field—the diversification of trade and the Russian debt to Finland.

The soonest solution of these problems should be promoted by stepping up the work of intergovernment mechanisms of bilateral cooperation—the Russo-Finnish intergovernment commission for economic cooperation, the group for promoting the development of cooperation between adjoining regions and commissions for technical, scientific and ecological cooperation.

While discussing the situation in the north-European region the Russian and Finnish sides pointed out a high level of stability in this part of the continent and confirmed their mutual desire to strengthen stability by stepping up the activities of structures for regional cooperation—the Council of the Baltic Sea States and the Council of the Barents and Euro-Arctic Region.

The Finnish side was thoroughly informed about the state of Russo-Baltic relations and prospects for their development.

The sides exchanged opinions on prospects for the European economic integration. It was pointed out that it is necessary to take steps to adapt a mechanism of Russo-Finnish interaction to new conditions in light of preparations of a Russo-EC agreement on partnership and cooperation and a possibility of Finland's membership in the European Union.

Separate discussions were devoted to the progress of reforms in Russia. The high-ranking Finnish guest was informed about the present stage of economic transformations in the country and difficulties encountered by the Russian people in the process of renewal. The Finnish side expressed support to the course aimed at democratisation and the development of the market economy and its readiness to render practical assistance to the solution of existing problems.

During the visit to Moscow President Ahtisaari met with Chairman of the Russian Government Viktor Chernomyrdin and chairmen of the two chambers of the Federal Assembly of the Russian Federation, Vladimir Shumeyko and Ivan Rybkin.

Finnish Foreign Minister Haavisto who accompanied the Finnish president during the visit had substantial talks with his Russian counterpart Andrey Kozyrev.

Troops in Former Yugoslavia To Be Replaced

LD1805135994 Moscow ITAR-TASS in English 1347 GMT 18 May 94

[By ITAR-TASS correspondents Andrey Palarya and Sergey Ostanin]

[Text] Moscow May 18 TASS—U.N. military commanders in the former Yugoslavia have allocated several positions for Russian officers who will take them up this autumn, according to airborne troop commander Colonel-General Vladimir Podkolozin.

Podkolozin said on Wednesday that at first U.N. commanders offered Russian officers six secondary positions. "This could not satisfy us. We insisted on one key position—deputy sector commander and received a positive answer. Russian officers will take up the posts this autumn," he said.

Podkolozin said that the 1,500-strong Russian contingent in the former Yugoslavia will be replaced by a new one in October. Under the contract, soldiers can stay in the war zone not longer than six months, officers—a year. They may prolong their contracts for another six months if they wish so.

Podkolozin also said that Russia paid off its 1.5 billion U.S. dollar debt to the United Nations by participating in U.N. peace-keeping operations in the former Yugoslavia. Russian peace-keepers oversee cease-fire, prevent illegal arms exports and control troop movement.

Over two years of participation in the U.N. contingent in the former Yugoslavia five Russian soldiers were killed and 17 wounded.

Russian soldiers in Yugoslavia receive 833 dollars a month, warrant officers 874-877 dollars and officers 915-1,008 dollars.

Russian UN Troops Paying Off Debt

PM1905105394 Moscow KOMSOMOLSKAYA PRAVDA in Russian 19 May 94 p 2

[Aleksandr Khokhlov report: "Mission Repays a Debt"]

[Text] Colonel General Yevgeniy Podkolzin, commander of Airborne Troops, held a news conference yesterday on the problems of Russian peacemaking [mirotvorchestvo] in the "hot spots" of the world and the CIS. He reported that during their two-year stay in the former Yugoslavia the Russian "blue berets" have conscientiously "worked off" almost the whole of Russia's debt to the United Nations: Just $200 million is outstanding from the previous $1.5 billion.

But Russia's power structures have still not drawn up a system of social protection for the peacemakers. In the opinion of the UN administration, they are the best of all the soldiers in Vukovar and Sarajevo today, but for some reason it is only the motherland that forgets that its sons are not out for a stroll but are at war....

The Airborne Troops' commander has no information about sending new Russian military contingents to other countries, particularly Rwanda. The question of sending peacemakers to Nagorno-Karabakh also remains problematic: First the troops of the sides engaged in the conflict must be separated.

U.S., Russian Deputies Challenge Bosnia Policy

PM1805110994 Moscow IZVESTIYA in Russian 18 May 94 p 3

[Vladimir Nadein report: "Duma and Senate Vote Against Their Presidents—But This Is Unlikely To Affect Situation in Bosnia"]

[Text] Washington—At the same time as the Russian parliament's lower house—the State Duma—voted in favor of lifting the embargo on trade with Yugoslavia, the upper house of the U.S. Congress—the Senate—spoke out in favor of lifting restrictions on the sale of weapons to Bosnia-Herzegovina. Both in Moscow and Washington a further step has been taken toward the position expounded by former U.S. Secretary of State Eagleburger to the effect that, if people are firmly intent on killing one another, then everybody else has to stand aside and grant the belligerent parties freedom of action until their ardor abates.

The economic blockade established by decision of the United Nations affects Serbia and Montenegro. It does not apply to Croatia, Bosnia-Herzegovina, and Macedonia.

However, all former SFRY countries find themselves under strict observation in the matter of weapons deliveries. Experts believe that this embargo is advantageous to Serbia and places its rivals in a known losing position. This concerns Bosnia in particular, insofar as Yugoslavia's entire defense industry is concentrated in Serbia and, to a lesser degree, in Croatia.

Recent reports that the Iranian Government, in conjunction with those of certain other Muslim states, has been secretly supplying weapons to the Bosnian Government—led, as it is, by fellow believers—placed American legislators in a somewhat awkward position. Iran is still on the blacklist of countries which, according to information from the U.S. State Department, support international terrorism.

However, on Capitol Hill, where the dome of the famous Congress Building rises over Washington, irritation over the half-hearted and inconsistent foreign policy of the Clinton administration has long been evident.

This concerns not only the Bosnians, whose sufferings and tortures have long since become not so much an indictment of Clinton's indecisiveness as a weapon in the hands of his political opponents. The views of the president and a great many legislators also differ over the thrust of the crisis in Haiti, and the means through which to avert the highly likely appearance of nuclear weapons in North Korean hands.

Alongside the number of senators and congressmen supporting the continuation of trade-related most-favored-nation status for China, despite its leaders harsh suppression of any political opposition, the ranks of those pushing for trade sanctions against China are swelling.

Russia, having long been almost the only spot on the political map to enjoy the conciliation and accord of all the main U.S. political forces, is also becoming a trouble spot. Clinton is being criticized for overly blatant pro-Russianism and malleability in implementing NATO's Partnership for Peace program in granting Russia, the critics claim, a special right of veto on the full-fledged entry into NATO of certain former Warsaw Pact members.

In voting by an overwhelming majority to halt the embargo on the delivery of arms to Bosnia, the Senate took "an easy, no-cost decision." Naturally, it avoids the introduction of American troops into the zone of hostilities, and even air strikes, all of which are fraught with possible losses of American lives. However, the prospect of the implementation of both resolutions—that of the Russian Duma and the American Senate—is not completely inoffensive. The appearance of heavy weaponry on the Bosnian side will jeopardize French, British, Ukrainian, and Russian lives, and will quite likely lead to their speedy withdrawal from Yugoslavia.

The history of democracy has demonstrated time and again that the implementation of foreign policy cannot be realized by parliamentary ballot, even if the fantasy of an irreproachable parliament is brought into play. So it is not difficult to predict that both governments, Russian and American alike, will try to hide behind polite smiles

their irritation at the legislators' interference in the prerogatives of the executive.

During the Cold War, the lines of the division of interests were drawn so clearly that there was little room for opinions beyond the bounds of a simple "yes" and "no." Now everything is blurred, the majority of regional conflicts are notable for their striking complexity, and the involvement therein of the superpowers does not bode well. Which is why American legislators are criticizing the administration without counterposing their own positive programs.

The reasons for this modesty are clear. First, a positive program has to be answered for—and certainly before the elections. Second, the Americans, like the Russians, are becoming less and less interested in foreign policy, giving preference to problems closer to home.

French Foreign Minister Arrives in Moscow

LD1905105594 Moscow ITAR-TASS World Service in Russian 1007 GMT 19 May 94

[By ITAR-TASS diplomatic correspondent]

[Text] Moscow, 19 May—French Foreign Minister Alain Juppe arrived in the Russian capital today on a three-day official visit. The head of French diplomacy will hold talks with Russian President Boris Yeltsin, with heads of the Russian Government and parliament, with Defense Minister Pavel Grachev, and Foreign Minister Andrey Kozyrev.

The Russian-French talks will mainly cover bilateral economic and political cooperation, improved interaction between the two countries in solving urgent international problems, including the Bosnian crisis, and strengthening stability and security in Europe.

During his stay, the French minister will also visit Nizhniy Novgorod and St. Petersburg.

Juppe Previews Russia Visit

LD1905130594 Moscow ITAR-TASS in English 1232 GMT 19 May 94

[Text] Moscow 19 May ITAR-TASS—French Foreign Minister Alain Juppe arrived in Moscow today on his first visit to Russia. Juppe's goal is to get a better idea of the fundamental economic transformations which are taking place in Russia, to give a push to the development of bilateral cooperation between Paris and Moscow, and to improve the effectiveness of the two countries' cooperation in resolving international problems.

"Contacts between the French and Russian leaders are maintained regularly. They have already become a good tradition, reinforced by the 1992 Russian-French agreement", the foreign minister told ITAR-TASS before his departure. "Russia is one of the world's great powers and is rich in cultural traditions and in her ability to renew herself, which is most of all thanks to, I am convinced, the Russian people".

Juppe's itinerary for his three-day visit is extremely packed, including meetings and talks with Russian President Boris Yeltsin, leaders in the government and parliament, Defence Minister Pavel Grachev, and Foreign Minister Andrey Kozyrev. The top priority in the talks will belong to questions of economic and political mutual cooperation, including along the Russia-European Union and "Big Seven" lines. The two sides will also exchange opinions on ways to attract more French capital into the Russian economy.

Among international problems, the French diplomat intends to discuss with his Russian colleagues the Bosnian crisis, the strengthening of European security through the realization of the NATO "Partnership for Peace" programme, the upcoming international conference in Paris for the signing of the pact on stability in Europe, and the state of affairs in the CIS "hot spots" and their surrounding regions.

The foreign minister's unofficial activities will include visits to Nizhniy Novgorod and St. Petersburg, a city which he has wanted to visit for a long time.

Ukrainian Readiness To Hand Over Bombers 'Gimmick'

LD1805175994 Moscow INTERFAX in English 1552 GMT 18 May 94

[Text] Ukraine's statement that it is ready to pass its strategic bombers to Russia is yet another gimmick aimed at creating a wrong impression of the talks on the issue, commander of the Russian Air Force, Colonel-General Petr Deynekin told Interfax on Wednesday.

He said that if Ukraine did not pass its strategic bombers to Russia on acceptable terms this year, they would simply turn into scrap metal. He also noted that even now many of these planes would hardly be able to take off and that all of the maintenance facilities were located in Russia.

He said he did not know anything about forthcoming talks with Ukraine on the transfer of the bombers to Russia. He also noted that Russia and Ukraine had not yet come to terms on the sum which Russia is to pay for the bombers.

He said that the 8 billion dollars claimed by Ukraine was unacceptable. Russia is ready to write off 217 billion rubles from the Ukrainian debt for the Russian energy and fuel in exchange for the bombers, he stated.

Ukraine has 42 heavy strategic bombers.

Kaliningrad Air Space Controlled by Lithuania

MK1805121394 Moscow KRASNAYA ZVEZDA in Russian 18 May 94 p 3

[Valeriy Gromak report in the "Facts and Comments" column: "To Moscow from Kaliningrad... Over Neutral Waters. We Shall Have To Sustain Huge Expenses Unless Regulations Are Drafted for Using the Air Space Between Russia and Lithuania"]

[Text] Today the skies over Kalinigrad Oblast (Russian Federation) are legally controlled by a neighboring state—Lithuania. More specifically, the Vilnyus Regional Air Traffic Control Center. The working of Russian aircraft here fully depends on the mood of foreign specialists or rather political ambitions. Ways of resolving this problem were discussed at a meeting between Petr Shirshov, chairman of the Russian Federal Assembly's Security and Defense Committee, and Yuriy Matochkin, chief of the Kaliningrad Oblast administration.

"Two years ago," Lt.-Gen. Vasiliy Proskurin, commander of the Baltic Fleet's Air Force said, "an interim agreement was prepared between Russia and Lithuania on using the air space in the region. It established procedures for aircraft passage from the oblast's territory to Russia. But for reasons I am not aware of it was not signed...."

The effects were immediately felt by Navy, Air Defense and Border Guard pilots. An air "barrier" prevented their crossing Lithuania's territory. It came to the point that one day the Vilnyus Regional Air Traffic Control Center denied entry to the Russian defense minister's plane. Now military aircraft, taking off in Kaliningrad, fly over the sea to Liepaya and Riga and then on to Moscow.

"We shall have to fly," Proskurin said, "over neutral waters via the Gulf of Finland to St. Petersburg. This is quite a detour and it will be expensive but there is no other answer so far...."

Ministry Concerned With Arrest of Uzbek Activists

LD1705202094 Moscow INTERFAX in English 1902 GMT 17 May 94

[Text] The Russian Foreign Ministry expressed concern over reports about the arrest by Uzbek police of activists of the Uzbek Popular Movement Birlik who were to attend an international human rights conference in Alma-Ata [Almaty]. It was organized by the Russian-American Human Rights Bureau. This was stated at a briefing in Moscow on Tuesday by official representative of the Russian Foreign Ministry Grigoriy Karasin.

He noted the fact that one of the detained Uzbek activists was arrested on Kazakh territory. At the same time in Tashkent Uzbek interior bodies arrested one of the leaders of the human rights society and the chairman of the Association of Free Women also invited to the conference.

"There is an impression that measures were taken to prevent Uzbek human rights activists from attending the conference. Russia proceeds from the fact that activities of human rights organizations are a necessary condition for the functioning of any democratic society. Russia will strictly adhere to this principle in relations with all states, including the CIS," Karasin said. In his opinion, if information about the arrest of the human rights activists is true, it is necessary to clarify to what extent actions of the Uzbek authorities comply with the Charter and the Declaration on Human Rights of the CIS, as well as corresponding documents of the UN and CSCE.

State Duma Delegation Holds Talks in China

LD1805163194 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 18 May 94

[From the "Novosti" newscast]

[Text] The State Duma delegation holding talks in the Chinese capital represented virtually the entire political spectrum of the Russian parliament. As we know, deputies have very differing views on reform in this country. They evaluate in different ways the possibility of applying Chinese experience in Russian conditions and of reaching a solution to border problems. Nevertheless, at meetings with the Chinese leaders, the deputies appeared to display a united front, confirming that China continues to be one of the priorities in Russian foreign policy.

Chinese President Jiang Zemin and Ivan Rybkin, head of the Russian delegation, also agreed that economic changes must be based on concrete conditions in each state. But stability in society is an indispensable prerequisite for any reform. At the meetings both sides recalled the longstanding friendship between the peoples of Russia and China and the lengthy frontier which they share. But this is no longer enough for the effective development of bilateral cooperation. As Ivan Rybkin put it, the Chinese leaders took note of specific proposals to change the situation. These will be discussed in detail at the upcoming meeting of the Russo-Chinese commission on trade and economic cooperation and during the visit to China by Russian Prime Minister Viktor Chernomyrdin.

Delegation Ends Visit

LD1905101194 Moscow ITAR-TASS World Service in Russian 1903 GMT 18 May 94

[By ITAR-TASS correspondent Pavel Svirin]

[Excerpt] Beijing, 18 May—A visit to China by a Russian parliamentary delegation led by Ivan Rybkin, chairman of the State Duma, ended today. The legislators from the Russian Federation made their last stop on

the way from Beijing to Moscow at the Shenzhen free economic zone in the south of the country, which is always being called "the experimental laboratory of the Chinese reforms and openness policy."

The visit, which took place at the invitation of the Standing Committee of the Chinese National People's Congress, has been successful, Ivan Rybkin said before leaving Shenzhen by air. In an interview with this ITAR-TASS correspondent he noted that careful familiarization with the situation in China would certainly help Russians be more attentive to the experience of their great neighbor and "to adjust their approach to reforms."

For example, he explained, Russia is interested in the working of the Shenzhen legislators, who have been granted by the "superior body"—the country's parliament—the right to draw up and pass acts of legislation independently. Of no less importance is the legislation itself, thanks to which China has, in the reform years, attracted to the zone foreign investment to the tune of $14,400 million. This topic, as well as bilateral economic cooperation, will be discussed during the forthcoming visit to China by Viktor Chernomyrdin, head of the Russian Federation Government.

In the words of Ivan Rybkin, an understanding has been reached with the leadership of the free economic zone concerning a visit by a group of Russian members of parliament to Shenzhen through the channels of "people's diplomacy," and also on sending some of our industrialists, business people, and bankers there "to enhance their qualifications."

"There is no doubt about the desire of the Chinese side to develop mutually profitable cooperation with Russia, and the friendliness of the officials who received us was sincere," he assured journalists. [passage omitted]

Argentine Foreign Minister Satisfied With Visit

LD1805210594 Moscow ITAR-TASS World Service in Russian 1123 GMT 18 May 94

[By ITAR-TASS diplomatic correspondent Konstantin Zhukovskiy]

[Text] Moscow, 18 May—I am very satisfied with my visit to this splendid country, Argentinian Foreign Minister Guido Di Tella stated. Russia has never before enjoyed such respect, has never before evoked such sympathy in the world as it does today, he stressed in an interview with the ITAR-TASS correspondent.

Touching on the talks held in Moscow, the minister reported that an exchange of visits was discussed, in particular a trip to Moscow by Argentinian President Carlos Menem at the end of October this year. It is expected that documents on investment guarantees will be signed during his visit, and a mechanism for mutual credits will also be discussed at last, Di Tella reported to journalists after making a speech at the Diplomtic Academy of the Russian Foreign Ministry. We very much want to have close relations with the new Russia, he stressed.

Yesterday the Argentinian minister met Mikhail Mityukov, first deputy chairman of the State Duma, and Vladimir Shumeyko, chairman of the Federation Council. An exchange of opinions on the two countries' home and foreign policy took place.

The same day, the secretary for foreign economic relations of the Foreign Ministry of Argentina, who is accompanying Di Tella, met Arkadiy Volskiy, head of the Russian Union of Industrialists and Entrepreneurs. During the conversation the crisis situation in the Russian economy and the shortage of currency resources were discussed. The sides agreed on setting up a a system of compensation in bilateral trade. The day before that the South American businessmen were received at the Russian Ministry of Foreign Economic Relations.

The Argentinian entrepreneurs were very satisfied with the meetings held here since they saw Russia's enormous opportunities, Di Tella said today. Russia is and will remain a great world power, and the changes that are happening here are opening up huge prospects for its cooperation with all countries throughout the world, including Argentina, he stressed.

This evening the Argentinian minister is leaving Moscow for home.

Di Tella Departs

LD1805214194 Moscow ITAR-TASS World Service in Russian 1428 GMT 18 May 94

[By ITAR-TASS diplomatic correspondent Konstantin Zhukovskiy]

[Text] Moscow, 18 May—Argentine Foreign Minister Guido di Tella who has been on an official visit here, today left for home by air.

During his stay in Moscow he held talks with Russia's Foreign Minister Andrey Kozyrev and, as a result of these talks, an agreement was initialled on the foundations of relations between the two countries and documents were signed on simplifying visa procedures.

The Argentinian minister also met Vladimir Shumeyko, chairman of the Federation Council, and Mikhail Mityukov, first deputy chairman of the State Duma. An exchange of opinions took place on questions of domestic and foreign policy of the two countries.

A report issued by the Russian Foreign Ministry on the results of the talks notes that the sides spoke in favor of expanding and strengthening Russian-Argentinian cooperation, primarily in the trade and economic sphere. Emphasis was laid on the intention of encouraging Russian and Argentinian business circles to organize direct cooperation by means of "the political overseeing" of the most promising economic initiatives.

Note was also made of the need to continue constructive dialogue including within the framework of the Security Council with the aim of improving the international climate, settling regional conflicts, and ensuring stability on the planet. In this context the Russian side gave a positive assessment of Argentina's policy, which consists of firmly supporting the actions of the UN Security Council by means of active participation in UN peacekeeping operations in hot-spots.

Arms Company Refuses Comment on Sales to Kuwait

LD1905125594 Moscow ITAR-TASS World Service in Russian 0856 GMT 19 May 94

[By ITAR-TASS diplomatic correspondent Vyacheslav Akimov]

[Text] Moscow, 19 May—A spokesman for the Rosvooruzheniye state company (the state company for the export and import of arms and combat equipment) has refused to confirm a report of a contract for the supply of Russian weapons to Kuwait thought to be about to be concluded in the next few weeks.

Asked by an ITAR-TASS correspondent about the size of the forthcoming arms sales to Kuwait, the spokesman for Rosvooruzhniye noted that, in line with usual practice, the parties signing a contract are obliged not to divulge the content of the agreement, i.e. schedules, type, and amount of arms for export.

Marshal Shaposhnikov Visits Kuwait

LD1805151894 Moscow ITAR-TASS World Service in Russian 0752 GMT 18 May 94

[By ITAR-TASS correspondent Viktor Lebedev]

[Text] Kuwait, 18 May (KUNA)—Marshal of Aviation Yevgeniy Shaposhnikov, who visited Kuwait as Russian Federation President Boris Yeltsin's special envoy, left for home at the end of his three-day visit to this Arab country.

The Russian guest was received by the emir of Kuwait, Jabir al-Ahmad al-Jabir Al Sabah. Ye. Shaposhnikov handed a personal note from Boris Yeltsin to the head of the Kuwaiti state. The emir of Kuwait accepted an invitation in the note to pay an official visit to Russia, the date of which will be agreed in due course.

During his meetings with the leadership of the emirate and representatives of business and financial circles, Boris Yeltsin's special envoy reaffirmed Russia's continued support for Kuwait's independence and security. He stressed the need for Iraq to fulfill the UN Security Council resolutions which drew a line under the Kuwaiti crisis.

During the conversations, Yevgeniy Shaposhnikov told an ITAR-TASS correspondent, questions connected with the future development of contacts between the two countries at various levels in the interests of building up multilateral Russian-Kuwaiti cooperation were examined.

Three Russians Killed in Algerian 'Terrorist Attack'

LD1905122394 Moscow ITAR-TASS World Service in Russian 1220 GMT 19 May 94

[By ITAR-TASS diplomatic correspondents Boris Krivoshey and Aleksandr Krylovich]

[Text] Moscow, 19 May (ITAR-TASS)—A terrorist attack against Russian citizens took place in Algeria yesterday. As a result three people died and five were injured, said Grigoriy Karasin, director of the Russian Foreign Ministry's information and press department, at a briefing today. He named the dead as Baturin, Petkevich, and Chenchikov.

According to him, a bus carrying 25 Russian citizens was travelling from the town of Jijel to the airport in the country's capital. Near the village of Ziam the bus was attacked. Eleven servicemen of the Algerian army who were guarding the convoy of Russian specialists died in the fight. G. Karasin said that the terrorists sustained heavy losses.

Viktor Posuvalyuk, director of the Near East and North Africa department of the Russian Foreign Ministry, had a meeting today with the ambassador of the Democratic and Popular Republic of Algeria in Moscow. He raised in no uncertain terms the question of stepping up security measures to the utmost for Russian citizens in Algeria and requested an immediate inquiry into the circumstances of this tragic incident.

G. Karasin emphasized that a whole series of additional arrangements have been made at the initiative of the Russian Ministry of Foreign Affairs to increase the security of our specialists living and working in Algeria. Specifically, the total number of Russian Federation citizens in the Democratic and Popular Republic of Algeria has been halved to around 1,100 people. The majority of wives and children of our specialists have left Algeria.

The Russian Federation Ministry of Foreign Affairs told Russian ministries and departments which have their own people in Algeria and specialists working at economic cooperation sites outside the capital of Algeria, as well as Russian Federation citizens in the country on private contracts that security measures need to be observed to the utmost and that personal discipline and organization need to be stepped up.

Shumeyko Interviewed on South Africa Visit

PM1805103994 Moscow ROSSIYSKAYA GAZETA in Russian 17 May 94 First Edition p 6

[Interview with Vladimir Shumeyko, chairman of the Russian Federation Federal Assembly Federation

Council, by ITAR-TASS correspondents Vladimir Korochantsev and Yuriy Pichugin in Pretoria; date of interview not stated: "Vladimir Shumeyko: We Support RSA's Desire for Democracy and Are Prepared To Cooperate"]

[Text] Pretoria—"Russia and South Africa have much in common in the present transitional period of their development and that creates very good preconditions for fruitful cooperation between them." That was stated by the head of the Russian delegation, Vladimir Shumeyko, chairman of the Russian Federation Federal Assembly Federation Council, in a talk with ITAR-TASS correspondents in Pretoria, where he was attending Nelson Mandela's inauguration ceremony.

"I formed this impression as a result of meetings with RSA President Nelson Mandela, First Deputy President Thabo Mbeki, and Deputy President Frederik de Klerk," he said. "During my talk with F. de Klerk we reached the common opinion that our states are sufficiently prepared for the successful continuation and development of all-around relations, especially as this cooperation does not have to be begun from nothing.

"For me as head of the Russian parliament's upper chamber and chairman of the CIS interparliamentary assembly, it is particularly important to ensure the development of interparliamentary ties," the head of the Russian Federation delegation stressed. "We are now faced with the task of creating within the framework of the CIS model legislation for the former republics of the Soviet Union. Its fulfillment could lead to the point where cooperation between Russia and the RSA grows into the same kind of cooperation that exists with the other CIS states.

"Excellent prospects are opened up for collaboration in the political field in connection with the fact that warm, friendly relations have formed between Russian Federation President Boris Yeltsin, RSA President N. Mandela, and Deputy President F. de Klerk within the framework of a process which today is called the humanization of politics. We all remember that in the past Frederik de Klerk, as president of the RSA, at a hard time for our country in October last year, supported Russia in a speech he delivered. Such things are not forgotten and they lay the foundation for the further development of our relations. Russia's firm support for the present democratic reforms in South Africa is expressed in President Yeltsin's message which I presented to RSA President Mandela and in his verbal message to F. de Klerk.

"In my talk with F. de Klerk I voiced the thought that the international public does not have the right to leave South Africa without attention after the victory of the democratic elections. It is not ruled out that after the voting and the inauguration everyone will calm down and the RSA will be abandoned to the tyranny of fate. Nothing like that should happen. So I allow the possibility of appealing to the international community to continue to support South Africa and to display attention toward it and its development.

"In that sense our bilateral economic ties are important and all necessary conditions exist for their development and expansion. The RSA has its problems connected with the emergence of its commodities and technologies onto the world market after the application of all-embracing and primarily economic sanctions against it for decades. That country was obliged to develop its own modern technologies. Now with the lifting of the boycott South Africa is faced with the task of ensuring an outlet for these technologies onto the world market.

"Russia is in need of such cooperation and our market is in a certain sense boundless with regard to this cooperation just as the South African market is boundless for many Russian goods, particularly conversion goods. Simple and cheaper consumer goods could be suitable on the local market. We can also discuss military cooperation separately. We discussed all this at meeting with President Mandela and F. de Klerk.

"During my stay in Pretoria I was convinced that the present leadership has favorable opportunities for close collaboration. At least I formed the opinion that the president and his two deputies have a great personal liking for each other. And that is already half the battle, or even more than half. If politicians treat each other in a normal, human way that helps resolve many complex tasks.

"Many good words can be said about the RSA. Its sincere desire to ensure successful democratic development gives rise to the warmest feelings," V.F. Shumeyko stressed. "With its expanses and wide open spaces and boundless fields that country reminded me of my Russian home."

Protocol on Diplomatic Consultations Signed in Mali

LD1905085694 Moscow ITAR-TASS in English 0831 GMT 19 May 94

[By ITAR-TASS correspondent Oleg Osipov]

[Text] Abidjan May 19 TASS—The Foreign Ministries of Russia and Mali signed a protocol on consultations in Bamako on Wednesday, a spokesman for the Russian Embassy in Mali told ITAR-TASS by telephone.

"The parties believe that the signing of the important document will strengthen and put onto a legal basis the constructive dialogue between Russia and Mali in the foreign policy sphere", the protocol states.

The two ministries pledge to hold regular consultations in turn in each country on a wide range of bilateral and international issues. The parties also plan familiarising trips by the ministries' officials to exchange experience and to settle current issues of bilateral relations.

Adamishin Meets Indian Vice President in Delhi

LD1805185394 Moscow ITAR-TASS in English 1654 GMT 18 May 94

[By ITAR-TASS correspondent Leonid Kotov]

[Text] New Delhi May 18 TASS—Russian First Deputy Foreign Minister Anatoliy Adamishin held meetings with Indian Vice-President Kocheril Raman Narayanan and State Foreign Minister Raghunandan Lal Bhatia in Delhi today. They discussed questions concerning Indian Prime Minister P.V. Narasimha Rao's forthcoming official visit to Moscow, which is scheduled to take place in June, 1994, the development of Russian-Indian political and economic ties as well as a number of international issues.

Both sides expressed satisfaction with the develoment of political contacts between Russia and India. They stressed that it is necessary to strengthen ties between the two countries, especially in the economic sphere. During the talks the Russian and Indian sides focused their attention at the forthcoming vist of head of the Indian Government P.V. Narasimha Rao to Russia and the completion of work at documents which will be signed during his stay in Moscow.

Speaking to Russian and foreign journalists, Adamishin emphasised that India acquired great significance to the first visit to the Russian capital by the Indian prime minister, and hoped that the visit will give a new impetus to bilateral cooperation in diverse spheres. Especially the two sides should strenghthen cooperation in the sphere of trade and economy in which great possibilities exist for new forms of cooperation, the Russian minister said.

Replying to a question by ITAR-TASS, the first deputy head of the Russian foreign department said that during the consultations they discussed the situation in Tajikistan.

"I was convinced that India strives more than in the past to help find a political solution to the situation on the border of Tajikistan. Russia supports an inter-Tajik dialogue, putting an end to attacks on the borders of Tajikistan, and India also adheres to an identical position," Adamishin said.

Deputy Foreign Minister Ends Visit

LD1805223594 Moscow ITAR-TASS World Service in Russian 1840 GMT 18 May 94

[By ITAR-TASS correspondent Vladimir Shvedov]

[Excerpts] Delhi, 18 May—Anatoliy Adamishin, the first deputy minister of foreign affairs of the Russian Federation, has completed his working visit to India. [passage omitted]

A. Adamishin left Delhi for Moscow by plane today.

Release of POW's Due to Cooperation With Islamabad

LD1805165894 Moscow INTERFAX in English 1326 GMT 18 May 94

[Text] The release of two Soviet prisoners of war, Aleksey Olenin and Yuriy Stepanov, who had been handed over to First Deputy Foreign Minister Anatoliy Adamishin in Islamabad recently, resulted from close cooperation between the Russian Foreign Intelligence Service (FIS) and the Pakistani Defense Ministry's Defense Agency. Tatyana Samolis, a spokeswoman for the FIS, who said so in an Interfax interview added that her statement had been cleared with the Pakistani intelligence.

She said that Stepanov and Olenin would arrive in Moscow at the end of the week. She explained that they were not forced to stay in Russia. They alone will choose the country where they will live. Her agency sought only their release.

Samolis said that former Soviet POWs were still held in Pakistan. She hoped that cooperation between the Russian and Pakistani intelligence services would continue.

Political Issues

Yeltsin Declines Shakhray Resignation, Denies Filatov Rumor

LD1905103094 Moscow ITAR-TASS in English 0957 GMT 19 May 94

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow May 19 TASS—Russian President Boris Yeltsin has declined to accept Sergey Shakhray's resignation, having found his arguments insufficient, Yeltsin's press secretary Vyacheslav Kostikov told a briefing here today.

The president instructed his staff to convey to Sergey Shakhray "a few critical remarks concerning his style of work and some personal qualities". The president, according to Kostikov, pointed to Sergey Shakhray's "political whimsicality and his desire to accumulate too many posts. The president observed Sergey Shakhray's personal political motives are not always correlated with Russia's interest".

Kostikov rejected categorically press allegations about the forthcoming sacking of Sergey Filatov as the president's chief of staff. According to the press secretary, Yeltsin said there can be no question about Sergey Filatov's resignation.

Kostikov said that rumours about the dismissal of such figures as Sergey Filatov are destabilising in character. "I have an impression that NEZAVISIMAYA GAZETA has no real sources in the presidential and governmental structures and often engages in improvisations," he stressed. Filatov was is and will be in the foreseeable future one of the president's closest employees, Kostikov said.

Stankevich Comments

LD1805155294 Moscow Mayak Radio Network in Russian 1245 GMT 18 May 94

[Text] Here on Mayak's "Panorama" program is a postscript to a recent event in the top echelons of power in Russia. The well-known politician and member of the State Duma, Sergey Stankevich, analyzes the reasons for Sergey Shakhray's resignation from the post of deputy prime minister.

[Begin Stankevich recording] I am convinced—and this is not simply because I am in the same party, I have long been convinced—that he is one of the most professional and hard-working members of our political and government team. Any departure by him from the government is undoubtedly a loss and undoubtedly signifies a weakening of the government and, incidentally, is a loss for Russians as well, because he acts calmly, sensibly, circumspectly, clearly, and, as a rule, quite effectively in so far as results can be achieved.

As far as his resignation is concerned, there is an economic component here as well as a political and a kind of group-personal component. Let's start with the economic one. This year Shakhray's department was allocated quite a considerable sum for the implementation of regional policy. Specifically, preferential government loans worth approximately seven trillion rubles were allocated for the regions of the North alone, and it was Shakhray's department that was to decide how these colossal funds were to be distributed, via which banks they would pass, and on which programs they would be spent. Before taking this very responsible decision, Shakhray inquired how this had been done previously and how trillions in government loans had been spent. I do not rule out the possibility that Shakhray's scrupulous and over-careful approach—justifiably careful—to this subject, could have made those who are used to not expending particular concern over very serious state loans nervous.

I would like to mention the political component. I am afraid that the Party of Russian Unity and Accord [PRES] has now become the object of very jealous and malevolent attention. It looks as though someone is trying very hard to squeeze it out of the positions that it has occupied. Six key posts in the cabinet, four ministerial and two deputy prime minister posts, belonged to PRES, and, evidently, this was regarded as excessive by those political groupings that are also laying claim to a significant share of power. I do not rule out that it was their influence that was brought to bear here.

Finally, as for the personal issue. Shakhray is extremely sensitive about such aspects as professional ethics, human dignity, and the dignity of a political and state figure. When a minister is appointed to a ministry of which he, as deputy prime minister is supposed to be in charge, and he is not even consulted about the matter, that is something he could not ignore. [end recording]

Reasons Behind Dismissal, Resignation Viewed

MK1805082294 Moscow SEGODNYA in Russian 18 May 94 p 1

[Aleksey Kirpichnikov report in the "Ambitions" column: "Shakhray Does Not Want To Be Chernomyrdin's Deputy. Yet Another Resignation of the PRES Leader"]

[Text] Sergey Shakhray has tendered his resignation as deputy prime minister. The official reason is his dismissal as minister of nationalities and regional policy and the appointment of a successor "even without formal consideration for the opinion of the deputy prime minister in charge of these matters." Mr. Shakhray stated that his resignation "does not mean a move toward opposing the president or government, or any personal grudge."

The statement expresses the hope that the dismissal is not connected with the deputy prime minister's order

about a financial inspection of the former State Committee for Northern Territories [Goskomsever], pressure by any regional groups, or "intrigues from the president's inner circle."

So far it is hard to judge how substantiated the first hope is (Goskomsever's involvement). Yet the next one has already been called into question by one regional group—from Chechnya. The deputy prime minister believed negotiations with the republic would be possible only after new presidential and parliamentary elections there, while the president and parliament have no intention of quitting early, describing Mr. Shakhray as unobjective. The Chechen opposition, on the other hand, agrees with his self-assessment ("no one understands the question of nationality policy better than I") and believes that it was precisely at the moment when Russia has developed a clear-cut position on a settlement in Chechnya that the deputy prime minister has been removed by "power structures connected with Dzhokhar Dudayev and oil and arms."

The hope about the absence of "intrigues" appears totally insincere. Tentatively, at least three can be pointed out. Mr. Shakhray was one of the initiators of the political amnesty while Mr. Rutskoy, released by him, came out with unveiled threats during the recent May Day festivities. The PRES was created mainly thanks to the structures of Mr. Shakhray's ministry and this, incidentally, also makes it doubtful that Mr. Shakhray's long-standing associate Aleksandr Kotenkov will keep the post of deputy minister and even that another PRES leader, Aleksadr Shokhin, will retain his vice premiership. Finally, Shakhray's removal means a certain weakening of the positions of Viktor Chernomyrdin who recently not only began a rapprochement with the State Duma but also wrested too much power from the presidential structures. Therefore to deprive the cabinet head of contact with the territories via Shakhray is the first step toward curbing the prime minister's powers. There are also stories about the role of Yeltsin's aide Ilyushin and presidential chief of staff Filatov, who endorsed the resignation, about a future deputy prime minister's job for Emergency Situations Minister Sergey Shoygu, and so forth.

If the resignation is accepted, Mr. Shakhray will automatically cease to be a member of two councils: The Security Council and the Cadres Policy Council. But the main thing is that PRES, based mainly on a regional elite, is losing powerful support and its future is becoming murky.

Filatov Reportedly To Leave Post

MK1905073494 Moscow NEZAVISIMAYA GAZETA in Russian 19 May 94 p 1

[Kris Kholki report in the "Power" column: "The State Duma Wanted To Hear Filatov. The Chief Of Staff Was Not Allowed Into The President's Office"]

[Text] Signs are that the fate of Russian Federation presidential chief of staff Sergey Filatov has been sealed. In the next few days he will leave his post. The chances of his retaining the post are extremely slim. Yesterday a senior official in the presidential apparatus, speaking in a confidential conversation in the State Duma, told NEZAVISIMAYA GAZETA's correspondent that an edict about Mr. Filatov's resignation has been signed by the president and that only the date and the document's registration number have not yet been stamped.

Mr. Filatov himself in an interview with INTERFAX denied reports about his upcoming resignation, stating that "some quarters stand to gain from putting about rumors about all sorts of resignations, dismissal, and reshuffles in the upper reaches of power. The aim of this permanent campaign is to impede reform and prevent consolidation of society."

Yet indirect confirmation that Mr. Filatov has fallen from grace came after the State Duma's plenary session Wednesday decided to summon Sergey Filatov. This was because at its previous session, on 13 May, Ruslan Orekhov, chief of the State Legal Directorate under the Russian Federation president, failed to respond to many of the State Duma deputies' questions.

State Duma Deputy Speaker Mikhail Mityukov phoned Filatov at the deputies' demand and invited him to the Duma session. According to Mityukov, Mr. Filatov agreed but said he wanted to ask the president's permission for the visit. No permission was obtained because Mr. Filatov, by his own admission, was not received by the president, which is very strange for a chief of staff.

According to information in NEZAVISIMAYA GAZETA's possession, at the current point in Russia's state history only Yevgeniy Shaposhnikov, Aleksandr N. Yakovlev, Yuriy Skokov, Viktor Ilyushin, and Yuriy Baturin have free access to President Yeltsin's office.

Filatov Too 'Busy' To Think About Rumors

LD1805173494 Moscow INTERFAX in English 1403 GMT 18 May 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov and Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] Sergey Filatov, the Russian president's chief of staff, told Interfax Wednesday morning that he did not intend to resign.

He said that reports of resignations, dismissals and reshuffles in the top echelons were planted in order to obstruct the reforms and consolidation of society.

IF Note: Filatov was appointed to his present position late in January 1993 following resignation of Yuriy Petrov. Before that, as first deputy of Supreme Soviet chairman Ruslan Khasbulatov he advocated constructive cooperation with Boris Yeltsin and won the reputation of the sole president's supporter in the Supreme

Soviet leadership. The differences between him and Khasbulatov were brought to a head in the aftermath of the Seventh Congress of People's Deputies in December 1992.

Filatov thought that the top authorities had to work for civil peace and economic reform. This kept him so busy that he could not think of rumors, even about himself.

Reports of his pending resignation appeared Monday [16 May], simultaneously with dismissal of Sergey Shakhray from the position of the nationalities and regional policy minister. Oleg Lobov, now the National Security Council secretary, was named as a possible replacement for Filatov.

Some observers thought that the rumors of Filatov's resignation had to do with the report of a meeting the president had with the prime minister at which the president called for improvement of the government performance and for having its decisions carried out.

The State Duma decided at its Wednesday session to hear Filatov's explanations of the president's letter to the Duma in the wake of signing the Deputy Status Act into Law. At the May 13 session Ruslan Orekhov, head of the legal department in the presidential headquarters, could not answer numerous questions.

In his letter the president mentioned that the act was inconsistent with the Constitution. This was true, in particular, of benefits which might not be liked by the electors. Orekhov could not explain what benefits the president had in mind and who enjoyed more benefits, the president's staff or the deputies or those who compiled the letter for the president.

Denies Departure Rumors

LD1805123094 Moscow Radio Rossii Network in Russian 0800 GMT 18 May 94

[Text] Speaking to an Interfax correspondent today, Sergey Filatov, head of the Russian president's administration, denied rumors of his allegedly imminent departure from the post. It appears that it is in someone's interest to keep bombarding public opinion with all sorts of speculation about resignations, dismissals, and reshuffles in the top echelons of power. The purpose of this permanent campaign is to break the rhythm of reforms and to prevent society from consolidating, Filatov said.

Sergey Filatov, who has been at the head of the presidential administration since the end of January 1993, believes the top priority for Russia's top leadership at this stage is purposeful work aimed at strengthening civil peace and carrying out economic reforms.

Lobov Tipped To Replace Filatov

MK1805065994 Moscow NEZAVISIMAYA GAZETA in Russian 18 May 94 p 1

[NEGA report under the "In Brief" rubric: "Filatov's Replacement Possible"]

[Text] According to a source in President Boris Yeltsin's staff, the head of the Russian Federation president's staff might be replaced. Sergey Filatov's place will be taken by Oleg Lobov, who is currently secretary of the Russian Federation Security Council.

Yeltsin May Run for Presidency in 1996

LD1805205594 Moscow ITAR-TASS in English 2029 GMT 18 May 94

[By ITAR-TASS correspondents Tamara Ivanova and Vladimir Solntsev]

[Text] Moscow May 19 TASS—Sergey Filatov, chief of the Russian president's staff, said he did not rule out the possiblity of Boris Yeltsin running for the Russian presidency in the 1996 presidential polls.

"I believe this is even necessary", he said at a meeting on Wednesday with representatives of the business community and mass media of the Japanese district of Hokuriku. At the same time, Filatov noted that careless moves may result in launching election campaign "ahead of schedule."

According to the chief of staff, the number of candidates for president, of which there are now over a dozen, will probably shrink by the time of elections. Much will depend on the election law and electoral thresholds. When asked about the possiblity of postponing presidential polls, Filatov said this was "very unlikely."

"Whether we will begin overcoming the crisis this year or drag on for some more time depends on the social and political situation," the chief of the presidential staff stressed. He noted that the passage of the new constitution and creation of the supreme legislature made it possible to develop a calm social and political situation in the country.

Giving his assessment of Russia's current economic situation, Filatov reiterated the government's commitment to the course of reforms. "They are going ahead with the same line, but the situation calls for manoeuvres," he said.

The official expressed hope that constructive opposition forces would join the treaty on civil accord. He reported that the agrarian faction in parliament was ready to sign the treaty, but only after the federal budget was approved and certain concessions were made. According to his information, Russian Communist leader Gennadiy Zyuganov also agreed to sign the document, but did not met

understanding in this issue from his fellow party members, who decided at their conference not to join the treaty.

Filatov said various aspects and directions of this treaty would be discussed and further elaborated by a conciliation commission and round-tables, at which representatives of different parties and movements will be able to consider ways for further advance. I believe, the chief of staff pointed out, that "opposition forces should sit down at this negotiating table and to take part in this process, otherwise they will simply disarm themselves before the public."

Filatov assessed positively the recent reshuffles within the Russian cabinet, noting that it was for the first time that a regional representative, Nikolay Travkin, was included into the government.

According to Filatov, the problems currently facing Russia are related to its consolidation as a democratic law-governed federative state. "We are only on our way to all these goals," he said, noting that a well-functioning law-governed state should have not less than 5,000 legislative acts, while their number in Russia does not exceed one thousand.

Yeltsin, Chernomyrdin, Shumeyko View May Opposition Rallies

LD1805223694 Moscow Radio Moscow in Russian to Tajikistan 1600 GMT 18 May 94

[From the "Slavyanka" program of the Russian Defense Ministry]

[Text] The May actions of the irreconcilable opposition in Moscow, which ended with the Russian flag being burned and Rutskoy and his comrades-in-arms appealing for the overthrow of the present regime, have become the subject of a discussion in the Kremlin. On this occasion Boris Yeltsin was visited by the speaker of the upper chamber of parliament Vladimir Shumeyko and Prime Minister Viktor Chernomyrdin. Shumeyko reported that, when discussing the problem of ensuring stability in society, there was an unanimous opinion that any actions of the irreconcilables, which violate laws and the Constitution, should be stopped. In the meantime, the Moscow procuracy was instructed to determine within ten days whether there are grounds for instituting criminal proceedings on the basis of the information it possesses.

President, Premier Seen in Firm Control

PM1805125394 Moscow ROSSIYSKIYE VESTI in Russian 18 May 94 p 1

[Feliks Babitskiy article: "Not Everyone Decides on Cadres. Is This Right?"]

[Text] It seems that cadre rotation is under way again in the upper echelons. And given that this process is managed on virtually equal terms in our country by both the prime minister and the president, it is not always easy to work out from whom the initiative stems and in what connection. We will try nevertheless.

The appointment of Nikolay Travkin as minister without portfolio came as a surprise to a great many people and caused, as often happens, quite a lot of gossip. Malicious tongues immediately christened him the "minister for the shah's affairs" [ministr shakhovskikh del]. The initial rumors that Nikolay Ilich would now officially represent Viktor Chernomyrdin on the Presidential Staff have been neither confirmed nor denied. Our source on Staraya Ploshchad merely reported evasively that the new cabinet minister's functions would be defined in the course of the next week (our conversation took place on 10 May, despite the fact that the appointment, according to that same source, occurred back on 29 April!). However, we still do not know today what the esteemed Mr. Travkin will be doing. He himself, during an impressive interview on radio Ekho Moskvy, suggested that in his new job he "will be engaged in the same thing as now—economic reform in agriculture."

Certain observers have thus gotten the impression that the main thing for the initiator was to bring Travkin into the government. And consequently, they suggest, this is just the start of his career. He may shortly have to replace one of today's active participants. Let us not forget that Aleksandr Zaveryukha, who is responsible today not just for the reform but also simply for the operation of the agricultural sector, is a very influential figure in the government. He is virtually the only cabinet member capable of saying "no" to Chernomyrdin and Yeltsin. It is only natural that Travkin, even if he had the desire to do likewise, would simply be unable to do so, since if your "no" as well as your "yes" is to carry weight, you need not just to enter the cabinet formally but also to have thousands of informal links with the Agroprom [State Agro-Industrial Committee] commanders and the smart operators of the agri-business.

In short, Zaveryukha is backed by the agrarian lobby, while Travkin has no backing. Consequently, while the former may pursue (and is actively pursuing) his own policy, one which does not please everyone, the latter may merely pursue the policy of the person who appointed him. It is not difficult to guess the identity of the "absent party," as it were. You merely have to recall who in terms of Aleksandr Kharlamliyevich's duties is his chief. There are, as you will know, in fact two, and there is every reason to suppose that both might be interested in changing a strong vice premier for a weak one—Zaveryukha for Travkin. The sowing season is, as you know, drawing to a close now, and Mr. Travkin's administrative functions are still undefined....

Sergey Shakhray announced yesterday that he was resigning as deputy chairman of the Russian Federation

government. At a press conference held at the Russian Foreign Ministry press center he read out the letter he had sent to the Russian president and head of government. In the document Shakhray asked to be relieved of his post as deputy chairman of the government "in view of the appointment of a new minister for the affairs of nationalities and regional policy without even formal consideration of the opinion of the vice premier in charge of the problem." Sergey Shakhray stated that his resignation "does not mean that he is going over to the opposition to the president and government or signify any kind of personal umbrage."

It has to be said that this is not the first attempt to remove Shakhray from the position where he was in perpetual charge of decisionmaking on his beloved nationalities question. The last time was a year ago, when two vice premiers in charge of these problems—Shakhray and Polyanichko (known to be a personal friend of the premier)—appeared in the government at the same time. I do not know how their ill-concealed antagonism would have ended up if the latter's tragic death had not occurred in the Caucasus mountains, to open the account of political assassinations in Russia.

Nikolay Yegorov, the new minister for the affairs of nationalities and regional policy and former head of the Krasnodar Administration, unlike his predecessor, was occupied with problems concerning relations among different peoples not "in response to the dictates of his heart" like Shakhray, but purely out of "official necessity," but again, unlike him, he enjoyed a good deal of success here and may be justly proud of the fact that no conflicts occurred on the territory entrusted to him despite all the ethnic diversity and the proximity of at least four trouble spots.

Yet another sensational piece of last week's news connected with cadre changes demands attention, namely the meeting between Viktor Chernomyrdin and Vladimir Zhirinovskiy, during which the latter demanded that the premier take the election results into account and present ministerial portfolios to the winning party (meaning, of course, the Liberal Democratic Party of Russia) rather than the losers (clearly meaning the Party of Russian Unity and Accord and Russia's Choice). Zhirinovskiy asked that the posts of minister of the economy, minister of internal affairs, minister for nationalities, and chairman of the State Committee for the Management of State Property be given to his supporters.

As always when Vladimir Volfovich is involved, the press, instead of (forgive my cynicism) sensibly saying nothing, broke into a panic, which is merely what he was after. They even recalled how Hitler, having won roughly the same percentage of the vote in the elections, was "in consolation" appointed chancellor and also appointed his own ministers. And soon the "nationally elected president" Hindenburg was safely dumped from major politics. Following a logical train of thought, my colleagues automatically posed the rhetorical question: Once he has his own people in government, won't Mr. Zhirinovskiy want to take the matter of "phased constitutional reform" into his own hands and dismiss, for example, the president?

You ask, we answer! Of course he will want to, and how. But if he ever does do something like that, then it will only be thanks to certain inveterate paid hacks who consistently create publicity for him and force us in effect to do the same even as we deny their "scoops."

Yes, it is true, Zhirinovskiy was received by Chernomyrdin. Such a privilege is available to the leader of the third-largest Duma faction. But careful readers of the agency reports on this topic would have noted that the premier said nothing in response to his guest's demands. Conclusions should be drawn from that.

Moscow Counterintelligence Chief Withdraws Resignation

LD1905103894 Moscow ITAR-TASS in English 1008 GMT 19 May 94

[By CRIME-TASS correspondent Olga Solodova]

[Text] Moscow May 19 TASS—Yevgeniy Savostyanov, head of the Moscow department of the Federal Counterintelligence, is not going to insist on his resignation after President Boris Yeltsin had turned it down.

He told TASS on Thursday that he had forwarded the resignation to his chief Sergey Stepashin and the latter informed Boris Yeltsin about it. "The resignation was rejected", Savostyanov said.

He categorically denied mass media reports that his resignation was prompted by contradictions with Stepashin. An engineer by education Savostyanov came to the counterintelligence bodies during Perestroyka years of Mikhail Gorbachev in 1991. He told TASS that he had offered to resign because he believes that he had fulfilled his mission of "depoliticizing" the counterintelligence agency which used to be a branch of notorious KGB which, in its turn, was controlled by the former Soviet communist party. Savostyanov said he simply wanted to return to public and political activities.

Now he will "work with full strength, as far as it is necessary", Savostyanov said, adding that he believes it impossible to insist on his resignation after the president had turned it down.

Soskovets Says West Driving Russia Out of Weapons Market

LD1905083894 Moscow ITAR-TASS in English 0805 GMT 19 May 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow May 19 TASS—"Competitors of Russia are actively trying to drive us out of the world weapons market", First Deputy Prime Minister Oleg Soskovets

told a government meeting on Thursday and proposed to grant arms producers certain rights in trading weapons themselves.

"The state programme of arms production and export needs a serious revision for the benefit of producers", he stressed.

According to Soskovets, there is "an abyss of misunderstanding" between arms producers and exporters and suggested to grant the producers "certain rights in selling their products independently".

"It is hard to explain to directors of defence enterprises which are the property of the state why the problem of financing is so acute in the industry when only one of the enterprises has in its warehouse submachine guns worth 200 million dollars and there is a big demand for them in the world", Soskovets said after returning from the Republic of Chuvashia where he visited defence enterprises.

Moscow to Halt Unofficial Sales of Diamonds

LD1805170194 Moscow INTERFAX in English 1326 GMT 18 May 94

[Text] Moscow has pledged to take necessary steps to stop the sales of Russian jewelry diamonds in the world market in circumvention of the 1990 agreement with the South African De Beers company. The promise is made in a joint communique following the Moscow talks between the Russian government and company representatives.

At the moment under the agreement Russia is exporting 95 percent of its diamonds through the central marketing organization of De Beers. However, during the past two years the South African side has been criticizing Russia for the appearance of small quantities of unregistered Russian diamonds in the world market.

The Russian delegation to the talks was headed by the acting Minister of Finance Sergey Dubinin and the South African by the head of the De Beers central marketing organization Nicholas Oppenheimer.

The communique says both sides remain loyal to the stability of the international diamond market and recognize their responsibility for its future.

Participants hoped that the talks that should continue in the nearest future will lead to the restoration of a stable foundation for the continuation of bilateral cooperation.

Foreign Ministry Asks Duma Deputies to Shun Dalai Lama

MK1905070694 Moscow NEZAVISIMAYA GAZETA in Russian 19 May 94 p 1

["NG" report under the "In Brief" rubric: "Foreign Ministry Recommends"]

[Text] A letter from the Ministry of Foreign Affairs signed by Aleksandr Panov, deputy to Andrey Kozyrev, appeared in the State Duma yesterday. The deputy minister's letter is devoted to the arrival of the Tibetan Dalai Lama, who is on a private visit to Russia. Since all more or less official contacts by the Tibetan exile are very disturbing for China, Mr. Panov recommended to State Duma deputies to take no part in any meetings with the leader of all Buddhists.

Premier Asks Duma To Abolish Perks for Military

MK1805131394 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 18 May 94 p 1

[Unattributed report: "The Military Will Be Put on a Starvation Diet"]

[Text] As MOSKOVSKIY KOMSOMOLETS has learned, Viktor Chernomyrdin has sent to the State Duma a draft federal law: On Changes, Suspension, and Revocation of Some Legislative Enactments Bearing on the Military Laws Package. In a cover letter, the prime minister notes that owing to the existing financial and economic situation, a shortage of funds and a budget deficit, it is impossible to preserve privileges for the military. It will take 90 trillion rubles [R] to implement all the measures envisioned earlier and therefore it is essential to reduce food ration compensations from R60,000 to the minimum monthly wage level (R14,620) and fully to abolish credits for housing construction programs for the military.

Report on Presidential Security Service

LD1805084194

[Editorial Report] Moscow Russian Television Network in Russian at 1625 GMT on 17 May, in its "Details" program, broadcasts a 10- minute report on the work of the Presidential Security Service by correspondent Eduard Gindileyev.

Gindileyev begins his report by saying: "We know nothing about the presidential guard. We do not know, for instance, that quite recently the president's personal chauffeur and one of his closest bodyguards were replaced. And one and a half months ago the deputy chief of the Kremlin guard was dismissed. We know nothing of this, and we are not meant to know.

"The SBP [Sluzhba Bezopasnosti Presidenta] is the abbreviation for a new Russian special service, or rather a new name for an old unit. It is the Presidential Security Service, the tip of the iceberg of the former Number Nine [Devyatka], the ninth directorate of the USSR KGB, later the Main Guard Directorate of the Russian Federation.

"As an independent federal body subordinate only to the Russian president, the SBP has been functioning since 11 November last year. After the second putsch, Boris

Yeltsin clearly decided to close the ranks of the Kremlin guard more tightly. After all, during the period of the October events, two special subunits of the Main Guard Directorate, Vympel and Alpha, did not obey the president's orders to storm the White House. Now Vympel has been transferred to the Interior Ministry and not much is left of it. The Alpha command held out with difficulty in the Kremlin. Relations with it are fairly cool. But there is also an official explanation for the reorganization of the former Number Nine."

At this point the video shows a man being interviewed, captioned as Andrey Oligov, Russian Federation Presidential Security Service. Oligov says:

"The creation of the new federal body called the Presidential Security Service is a logical step in the general reorganization of the special services of the former Soviet Union and the special services of the Russian Federation. You are well aware that the State Security Committee which existed for a long time and which operated within the system of the USSR now exists in Russia as several special services, each of which is engaged in specific functional duties linked either with intelligence operations, or counterintelligence operations, or information operations. In view of that, a new federal service is being created which will fully ensure the security of the president of the Russian Federation, and according to his instructions, be responsible for guarding top state leaders."

Correspondent Gindileyev then continues: "After the presidential decree on the reorganization of the Main Guard Directorate of the Russian Federation, its chief—Commandant of the Kremlin (Mikhail Barsukov)—was somehow moved out of the spotlight. The spotlight was taken over by (Aleksandr Korzhakov), chief of the president's personal guard, who was already strong from a political point of view. The 44-year-old Korzhakov is the closest man to Yeltsin in the Kremlin. He was already guarding the future Russian president when the latter was a candidate member of the CPSU Politburo. He left the ninth KGB directorate at the same time as Yeltsin left the party Central Committee. He was remembered for that, both by the KGB and by Yeltsin."

The video then shows film footage of Korzhakov working with Yeltsin on various occasions, following which the interview with Oligov continues. Oligov says: "Like any special service, the Presidential Security Service has its own structure. In it there are subunits which ensure the president's security directly, that is, effectively an institution of bodyguards. In order for that subunit to function, naturally a very powerful support base is needed—this includes an analytical subunit, a special staff which performs not only dispatching functions but also simultaneously processes the information coming in. There is also an operational subunit, that is, the Presidential Security Service is empowered by the operational investigation law to carry out operational investigations—to gather information related to terrorism, and in general to investigate threats which could harm the president's security."

In answer to a question about whether the Presidential Security Service is growing into a "super special service", Oligov replies: "The very fact of the division of the Main Guard Directorate into two departments—the Main Guard Directorate and the Presidential Security Service—on the contrary illustrates the narrower specialization of subunits doing their own specific jobs. So I think it is wrong to say that the presidential Security Service will grow and become some kind of monster, some kind of entirely new special service. It has clear tasks, and not a great number of staff."

Gindileyev concludes his report by noting that, according to unverified figures, approximately 2,000 people are now working under General Korzhakov. These include a number of soldiers on compulsory service who have served in CIS trouble spots. "However," Gindileyev says, "basically the SBP remains an elite, and the most closed secret service in Russia."

During the report the video shows, as well as Andrey Oligov being interviewed, and shots of General Korzhakov working with Yeltsin, feature movie pictures of a motor convoy under attack, the presidential box at the Bolshoy Theater being prepared for Yeltsin's arrival, men training with handguns, personnel on guard at an airport, and men performing martial arts exercises.

Support Program Drafted for Nationals in Neighboring States

LD1705195694 Moscow INTERFAX in English 1632 GMT 17 May 94

[Text] The Russian Foreign Ministry has worked out guidelines of the draft program of support for Russians living in neighboring states and coordinated it with other ministries, departments and public organizations. This was announced by Chief of the Russian Foreign Ministry Information and Press Department Grigoriy Karasin at a briefing in Moscow today.

He said this document would contribute to the integration of Russians with the political, social and economic life of the newly independent states (the ex-Soviet republics) and their adaptation to local culture preserving at the same time their appropriate cultural particularity.

Karasin announced that a draft of the register of urgent measures for 1994 which must contribute to the settlement of issues concerning the situation with Russians living abroad had been also worked out. He stressed that the discussion had revealed the necessity for a special body which would solve problems of Russians and coordinate activities of different organizations in this sphere.

The best way will be to set up a governmental commission composed from representatives of the respected

departments and the appropriate parliamentary committees. Public organizations working on problems of Russians would be represented in the expert council under the commission, Karasin suggested. He recommended that the commission primarily should work out a long-term program on support of Russians living abroad and ensure its implementation.

Transportation Minister Praises 1993 Performance

MK1805122094 Moscow SEGODNYA in Russian 18 May 94 p 2

[Gleb Cherkasov report under the "Transport" rubric: "Minister Pleased with Sector's Performance"]

[Text] Russian Federation Transport Minister Vitaliy Yefimov has held a news conference on the results of his ministry's work in 1993. In the minister's view, his sector did well last year—the decline in sea, river, road, and air transportation was 28 percent against the overall slump of 35 percent in the national economy as a whole. Mr. Yefimov thought it necessary to emphasize that "transport workers are not freeloaders"—in 1993 transport companies received 300 billion rubles [R] in subsidies, but paid around R750 billion to the budget. In 1994, the sector is scheduled to receive another R1.4 trillion, only to pay R3.5 trillion to the budget. The minister voiced his hope that once the budget is approved, "funds required for the sector's functioning and development will be forthcoming in a more orderly fashion."

Mr. Yefimov pointed out that in 1993 transport workers not only kept traffic routes in working condition, but also took efforts to "lay the groundwork for future achievements." For instance, the ministry plans to present to the Federal Assembly a number of bills aimed at improving the legal framework of transportation. In addition, the government will receive a program tentatively entitled "Russian Roads."

Regarding problems currently facing Russian transport, Mr. Yefimov pointed to the overall decline in cargo and passenger traffic. He voiced his regret that enterprises producing transport facilities are in dire financial straits and cannot replace Russia's means of transport in the requisite amounts, but the ministry is trying to solve the problem by attracting investment from large commercial businesses.

Liberal Democrats Want To Ban, Sue TV News Analyst

LD1705211394 Moscow INTERFAX in English 1835 GMT 17 May 94

[Text] The Council of the State Duma has instructed the Duma legal department to turn to the media court of arbitration following a complaint by the Liberal-Democratic faction about a news analyst of Russian television Nikolay Svanidze. This was disclosed to Interfax by the deputy speaker of the Duma Mikhail Mityukov.

In a TV show on May 13 Svanidze said that according to his knowledge the leader of Liberal-Democrats Vladimir Zhirinovskiy paid each member of his faction 500 U.S. dollars for supporting the draft of the federal budget at the first reading.

In an interview with Interfax Alexey Mitrofanov of the Liberal- Democratic faction said the council did not make a final decision on the suggestion of the faction to temporarily ban Svanidze from appearing on television. Mitrofanov said that faction members are going to sue Svanidze for misinformation.

Details of General Prosecutor's Office Shakeout

MK1805075294 Moscow NEZAVISIMAYA GAZETA in Russian 18 May 94 p 2

[Oleg Rubnikovich report under the "Details" rubric: "Reshuffle in the General Prosecutor's Office"]

[Text] Last Saturday Boris Yeltsin issued an edict replacing three deputies to the Russian Federation General Prosecutor. Only one deputy—Vildan Uzbekov—retains his position. His resignation request was turned down, unlike those of Eduard Denisov, Ivan Zemlyanushin, and Vladimir Kravtsev. It will be recalled that all four handed in resignation requests after the example of former general prosecutor Aleksey Kazannik.

At the moment Ivan Zemlyanushin and Vladimir Kravtsev are on vacation and will be given jobs in prosecutor's office bodies upon their return, with their preferences taken into account. According to some information, Mr. Kravtsev was offered a rather high position in this same General Prosecutor's Office even before his vacation. Eduard Denisov has since been appointed deputy to the Moscow Oblast prosecutor.

All those resigned and newly appointed to deputy positions have a substantial length of service with the prosecuting bodies. Oleg Gaydanov joined the General Prosecutor's Office under Aleksey Kazannik and headed the investigation directorate. Valentin Panichev, who joined it under Valentin Stepankov, retains his position of chief military prosecutor. Mikhail Slavgorodskiy, who also joined the service under Stepankov and was dismissed under Kazannik, is back in the prosecuting citadel. A question to be resolved today is what are to be the areas of responsibility of Mr. Ilyushenko's new deputies.

Shumeyko: Chernomyrdin's Resignation 'Undesirable'

LD1805101494 Moscow ITAR-TASS in English 0959 GMT 18 May 94

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow May 18 TASS—Chairman of the upper chamber of Russia's legislature Vladimir Shumeyko told journalists here today that the resignation of Viktor Chernomyrdin as prime minister "is extremely undesirable in the present situation".

He stressed that "Russia was lucky that Chernomyrdin became the head of government", and added it was doubtful that Chernomyrdin might tender his resignation. "My experience of work with the premier has shown that Chernomyrdin is a fighter," Shumeyko said.

Yakutia, Bashkortostan Presidents on Shakhray's Departure

MK1805093594 Moscow NEZAVISIMAYA GAZETA in Russian 18 May 94 p 3

[NEGA report: "Shakhray Quits"]

[Text] Commenting on Sergey Shakhray's dismissal, Yakutia President Mikhail Mikolayev stated that "whereas everything is clear about his quitting the ministerial position, it is not quite so clear about his quitting the position of deputy government chairman." In his words, it often happens in Russia that someone hands in his resignation and it is not accepted.

Mikhail Nikolayev also had some complaints about the concept of the state's nationalities policy developed under Sergey Shakhray's guidance and published in NEZAVISIMAYA GAZETA. According to Yakutia's president, he disagrees with the philosophy of this concept. First and foremost, Mikhail Nikolayev stated, the reason for his disagreeing lies in that the new Russian Federation Constitution defines the status of the republics comprising the Russian Federation as states, whereas Sergey Shakhray's concept reduces the level of former autonomous entities to the level of territorial components of the Russian Federation. "I cannot understand this," Yakutia's president stated.

Nor is Yakutia's president happy about the fact that the concept takes no account of the rights of the indigenous peoples to these territories' natural resources. He thinks this is incomprehensible because the Constitution provides for a different arrangement for owning the natural resources of components of the Russian Federation.

At the same time, Mikhail Nikolayev does not think Sergey Shakhray's departure is a tragedy. In his words, "everybody should calm down and work." "I am more worried about how to see through the shipping season in the polar seas, how to deliver cargoes, how to feed and clothe citizens of my republic rather than about the change of guard in the federal government, even in such a lofty position," Yakutia's president underlined.

Bashkortostan President Murtaza Rakhimov stated in a NEZAVISIMAYA GAZETA interview that he regrets Shakhray's resignation if only because it was Sergey Shakhray who led the delegation during the talks between Moscow and Ufa on the signing of a bilateral Russian- Bashkirian treaty delimiting powers and jurisdictions. "Now I do not know who is going to head the Russian delegation," Bashkortostan's president underscored. He said it is not clear what is to become of the Party of Russian Unity and Accord which, incidentally, Bashkortostan's president backed in the December elections.

Communists Issue Ultimatum to Kazakhs on Arrested Russian

LD1805170494 Moscow INTERFAX in English 1326 GMT 18 May 94

[Text] Unless the arrested Russian citizen Boris Suprunyuk is released in Kazakhstan before June 1, we shall work out our own variants for his liberation. The statement called an Ultimatum to President Nazarbayev was made Wednesday at the news conference in Moscow by Chairman of the Congress of Russian Communities' Executive Committee Dmitriy Rogozin.

He said that one of the leaders of the Russian community in Kazakhstan, the editor of the newspaper "GLAS", Suprunyuk, was arrested in Patropavlovsk on April 12 and then carried to Almaty where he is kept in prison. He is accused of stirring up inter-ethnic feuding. Rogozin, however, is sure that Suprunyuk was arrested for political reasons.

Rogozin sent a letter to Russian president Yeltsin asking him to play a personal part in the fate of the Russian citizen.

Asked by Interfax what is behind the statement "own variants for his liberation", Rogozin said that he had no right to make public any plans on this score. He referred to mass demonstrations of the Russian-speakers in Petropavlovsk in support of Suprunyuk and on the sentiments of the local Cossack community.

Chubays Denies He Will Leave State Property Committee

LD1805130094 Moscow Radiostantsiya Ekho Moskvy in Russian 1100 GMT 18 May 94

[Text] Deputy Prime Minister Anatoliy Chubays has denied rumors of his possible departure from the post of chairman of the State Committee on Management of State Property. He told Interfax that a state program of post-voucher privatization was submitted to the government for examination on Tuesday.

Yeltsin Edict Establishes Russian Postal Service Day

MK1805124394 Moscow NEZAVISIMAYA GAZETA in Russian 18 May 94 p 2

[RIA report under the "In Brief" rubric]

[Text] Moscow—A new holiday—Day of the Russian Postal Service—has been established by Boris Yeltsin's edict. It will be marked on the second Sunday in July.

'Reforma' Foundation Opposes Cooperation With NATO

LD1805164794 Moscow ITAR-TASS in English 1349 GMT 18 May 94

[By ITAR-TASS correspondent Igor Belsky]

[Text] Moscow May 18 TASS—The international "Reforma" foundation, headed by eminent economist Stanislav Shatalin, today came out against Russia's accession to the NATO "Partnership for Peace" programme. The foundation called on political leaders to "study carefully and thoroughly all the possible consequences of this action and to abstain from hasty decisions".

Corroborating their point of view, the authors of the released statement note, among other things, that participation in military blocs "perpetuates suspicion and interferes with the development of normal international relations". Full-blooded international partnership and cooperation, the document says, should be developed on a foundamentally different basis—"on a realistic and effective policy of peace, on a new comprehension of the role and place of leading states in the world community".

"Moreover," the eminent Russian economists and politicians stress, "the economic consequences of Russia's accession to the North Atlantic Treaty Organisation would be burdensome for our country". "The reorganisation of the armaments industry will require huge spendings," the statement says, "because there are single standards and unified requirements to all the types of armaments in the North Atlantic Treaty Organisation. In fact, we shall have to re-equip our army with foreign weapons, drawing our own industry into a long and expensive process of reconstruction."

New Civil Code Part of 'Post-Reform' Order

PM1805081994 Moscow ROSSIYSKIYE VESTI in Russian 17 May 94 p 1

[Interview with Aleksandr Makovskiy, chairman of the Council of the CIS Private Law Scientific-Consultative Center, by Andrey Kolesnikov; date and place not stated: "The Civil Code: The First Major Post-Reform Law—It Is Geared Toward a Stable Market Society, Aleksandr Makovskiy, One of the Chief Architects of the Civil Code, Believes"]

[Text] In line with the president's 5 May edict, the first (general) part of the new Civil Code is being submitted to the State Duma for immediate examination. The code's main authors—Yevgeniy Sukhanov, dean of the Faculty of Law at Moscow State University; Stanislav Khokhlov, executive director of the Private Law Research Center; Aleksandr Makovskiy, chairman of the Council of the CIS Private Law Scientific-Consultative Center; and Russian Federation Minister of Justice Yuriy Kalmykov—have been appointed as presidential representatives for the duration of the examination of the draft Civil Code.

ROSSIYSKIYE VESTI has reported on the progress of work on the code and its significance for the market economy on more than one occasion. Following approval of the draft Civil Code in the Government Presidium, a working group, taking due account of the observations of 34 Federation components, 38 departments, and various scientific organizations, completed the general part of the code, which is expected to enter into force as of 1 July 1994. The second, specific part of the Civil Code will be completed by the end of the year.

The code's entry into force will open the way for the unification of civil legislation and strictly licit civil exchange on new principles—the principles of private ownership and private law. Through the adoption of the general part of the code, the first step will be taken toward overcoming the monstrous contradictions between a whole series of specialist normative acts and laws of fundamental significance for the development of the market, and toward constructing a stable, defined, civilized system of market law.

At the behest of ROSSIYSKIYE VESTI's observer, Aleksandr Makovskiy evaluated the prospects for the Civil Code's passage through parliament and the further development of civil law in CIS countries.

[Kolesnikov] Aleksandr Lvovich, it is no secret to anyone that the code definitively and irrevocably establishes private ownership. But this circumstance is bound to prompt a negative reaction from the extreme left-wing and extreme right-wing factions in parliament....

[Makovskiy] In establishing private ownership, the Civil Code follows on from the Constitution, although in respect of the latter it occupies a subordinate position. The Civil Code is not a reform-based law. It does not privatize anything, nor does it implement land reform. Private property exists already, and the code sets the rules for handling it. This is an act of post-reform legislation, and it is geared toward stable relations.

It is possible that the question will arise in the Duma as to why it is that only the first part is being adopted and not the whole code in its entirety. By dint of the fact that the first part contains the general rules, it can be applied independently of the second part. For instance, it contains no specialist rules on contracts of sale or on subcontracting, but there are rules concerning all contracts. And arbitration courts are now impatiently awaiting the adoption of the general section. Deadlines are of secondary importance. A market economy requires appropriate legal regulation, which the first part can guarantee to a greater or lesser extent, but the second part is still some way away from completion. The draft of the general section which is being submitted to the Duma is the fourth version. In respect of the more

specific part, it may just be a matter of the first or section versions. However, work on the second part will be finished by the end of the year.

Many political movements went into the elections to some degree under the "banner" of the Civil Code. Obviously, all market-oriented factions voted in favor of it.

[Kolesnikov] What are the aims and tasks of the Council of the CIS Private Law Scientific-Consultative Center which you head?

[Makovskiy] In the course of the past century, the majority of autonomous and independent states have been striving for maximum unification of national systems of civil law, which often differ greatly from one another. Until recently, here on the expanse of the former Union, we did have unified legislation, albeit geared toward a planned economy. Because the scientific and information links have been destroyed, and because at times top priority is accorded to bogus national interests, civil legislation in CIS countries is developing in different directions. So far we have not felt this in full measure, but it is inevitable that we will feel it. So is it not be simpler for us to avoid this stage? Major differences in civil legislation may impinge upon economic relations between Commonwealth countries and significantly affect investment in CIS states. It is easier for any foreign investor to do business with a Commonwealth country which has legislation similar to its neighbors.

So it is that within the framework of the interparliamentary assembly a working group has been set up to elaborate a specimen draft Civil Code. And its first part will even by ready by fall. The specimen code is not a carbon copy of the Russian Civil Code. Its basis will comprise the Russian, Belorussian, and Kazakh codes, and possibly even versions of those of other countries. I know that vigorous work is under way in Ukraine, and the draft Kirgiz [Kyrgyz] code has already been submitted to the parliament of that state.

The specimen code is not a law but a recommendation. But we have the opportunity to prepare it so skillfully that people will undoubtedly take heed of it.

Shumeyko Welcomes New Nationalities Minister

LD1805133594 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 18 May 94

[Video report by Sergey Suntsov; from the "Novosti" newscast]

[Text] [Suntsov] Until quite recently there was no clear-cut policy on personnel matters. But with the formation within the president's office of a council on personnel policy—whose membership includes the chairmen of both houses of the Federal Assembly—this situation has changed, Vladimir Shumeyko told journalists today. The journalists asked him to comment on the resignation of Sergey Shakhray and to explain how this might affect policy on interethnic problems.

[Shumeyko] I only hope that with Yegorov's appointment to this post all these problems can move on from the phase of theoretical assessment to the phase of practical solutions, quite independent of the interests of the PRES [Party of Russian Unity and Accord].

[Suntsov] New Minister Nikolay Yegorov hails from the same area as Vladimir Shumeyko. He is Shumeyko's man. Vladimir Shumeyko commented on this positive fact. He said that he had participated in the formation of the government on one single occasion, in December 1992. On that occasion, on instructions from the president, he helped Viktor Chernomyrdin draw up the government list.

[Shumeyko] Since then I have not taken part in the formation of the government. As far as my relations with the president are concerned, they are exactly as close as they need to be in order to facilitate joint work on affairs of state.

[Suntsov] Journalists also asked about the possibility that former Minister of Finance Boris Fedorov, who is now a deputy in the State Duma, might become chairman of the Central Bank of Russia. That is unlikely to happen in the near future Vladimir Shumeyko said. The chairman of the Federation Council feels there is no need at the moment for emergency measures to boost the economy. Only culture and science need active support from the authorities, he said.

Vladimir Shumeyko told journalists about bills sponsored by the government and Federation Council that envisage assistance for newspapers and publishing houses. Whereas the government plans to reduce profits tax by 50 percent and VAT to 6 percent, the Shumeyko draft proposes the abolition of all levies on the press, except for commercial and pornographic publications.

Zorkin Urges Government by Popular Unity

PM1805101594 Moscow SELSKAYA ZHIZN in Russian 17 May 94 p 2

[Interview with Valeriy Zorkin, leader of "Accord for Russia" movement and former chairman of Russian Federation Constitutional Court, by Zhanna Kasyanenko; place and date not given: "Stop Lying to the People"]

[Text] Valeriy Zorkin, former chairman of the Constitutional Court, was the first person to publicly proclaim the unconstitutional nature of presidential edict No. 1400 literally a few hours after Yeltsin's televised address [concerning the suspension of parliament and introduction of special rule] That move cost him not only his post. He had also to withstand threats, numerous attacks, press libel, and unwarranted accusations by his propresidential colleagues on the Constitutional Court itself. Now, six months later, this same

Valeriy Zorkin is the initiator and one of the leaders of the "Accord for Russia" movement. What kind of accord does he have in mind, and with whom? Is it possible in our country at all today?

[Zorkin] I am very keen to ensure that nobody should confuse concepts such as accord and appeasement. There is and can be no accord between a criminal and his victim—the person robbed and the robber cannot agree, and still less is it possible to agree on something with someone who has taken a life. Maybe my interpretation of the evangelical formula "Whosoever shall smite thee on thy right cheek, turn to him the other also" will strike you as unusual, but in my view it applies only to those who did this unintentionally, certainly not to an enemy or a criminal. Does Russia's history itself not confirm this? When enemies came, Russian people did not bow their heads before them but fought. For there have been a number of critical moments in our great history when we seemed to be approaching the very limit, the very brink, but we won just the same! Let us ask this question: Thanks to what? Thanks to the pooling of everyone's efforts and the merging of the will of individual citizens into the united will of the entire people—in other words, thanks to accord. This is the kind of accord I mean. It is not an accord between a dispossessed people and the criminal power but an agreement within the people themselves, a kind of citizens' social charter. Its purpose is, on the basis of measures worked out by the people, to move away from the abyss into which we are all sliding.

[Kasyanenko] It seems to me that today we have already gotten too far away from the line beyond which political and directly related economic phenomena were still reversible....

[Zorkin] Despite the fact that I hate it when people bang their fist or raise their voice, despite the fact that I am an opponent of radicalism and, all the more so, of barricades, I am forced to admit that without tough measures we cannot instill order in the country today or tomorrow. Order is the first of the conditions that are necessary to end the country's free fall into the abyss. For it is impossible to watch the escalation of crime, the collapse of industry, and the demise of agriculture. In the space of two or three years we have almost halved meat production and reduced the cattle population, simply butchered it, including the pedigree, elite cattle. Is this not a national disaster? Every ordinary peasant understands that it will take more than one year to restore what has been lost. So why does the government not understand it? We are told—it is because of the imperfection of economic relationships. But I will start with something else—because the authorities have not ensured that elementary order of ties which it must maintain and implement. These are the ties between city and countryside, between producer and processor, and between suppliers.

[Kasyanenko] You quite frequently encounter facts like these, for example: A producer is paid 150 rubles [R] for a liter of milk, the dairy makes as much, if not more, out of this liter, and [retail] trade makes more again. As a result, we buy a liter of milk for R400-500 or more, the smallest proportion of which goes to the one who worked for long months to produce it. Here you cannot help thinking not just about our Russian disorganization and muddle but about a well-organized disorder which is advantageous to the authorities.

[Zorkin] Of course, nothing will come of the economy until there is normal people's power free from corrupt officialdom, which today has become a veritable national disaster. Order presupposes the curbing of corruption in the power apparatuses themselves. Power must serve not itself but the people and guard and protect them. Otherwise the power becomes alienated from the people, as we have been seeing for the past two years. We must stop lying to the people and say openly what we have ended up with. We have ended up with a criminal, corrupt, antipeople state.

Therefore, accord for Russia is not an appeal to live amicably in the spirit of Leopold's cat [reference to popular cartoon character]; it must be the people's accord in a united demand—to restore the power's responsibility and capability and, on this basis, to gamble on national priorities in everything: in industry, in agriculture, in culture. For Western aid represents fairy tales for children. Everyone pursues his own interest. It is in the West's interests to turn us into a colony, into a cheap raw materials market and a dump for the world's production waste. We are already being turned into a colony. All the signs are there. English is becoming the second language in our country, and the dollar the dominant currency. According to certain information, approximately $50 billion is circulating within the country. Those who either work in commercial structures geared mainly to the West or who serve the mafia live well in our country. All the rest are plunging into poverty. Our national culture is being lost. A certain cacophony of destruction reigns in the country.

And yet we have a very rich history and country and a splendid people—supersensitive and supersincere. We must turn to the roots from which we grew and go our own way without copying anyone. The peasant commune, for example, is a primordial Russian institution. Is it not the linchpin of the collectivism inherent in our people? Without it the Russian person becomes a part of the crowd or an isolated grain of sand, certainly not a constituent part of the people's original life.

Thus, in my view the main, basic principles must be order, people's power, and national priorities in the economy and in culture. We base accord on the principles which stem from reason, from the people's soul. As you see, they are nonparty principles and can be reduced to a single denominator—the principles of patriotism, enlightened patriotism, I would say.

[Kasyanenko] It is difficult to object to anything here. They really are fine principles. But what about the mechanism for realizing them?

[Zorkin] This mechanism aimed at changing the situation must be systemic, since the crisis which has hit the country is precisely of a systemic nature. It is impossible to change the situation of the miners without changing the situation in the whole country. It is impossible to help the peasant without having resolved the problems of the energy complex or the machine-building complex. Measures to surmount the crisis must be based on the people's trust, and the people must be aware of them and support them. "Accord for Russia" is not a contract among a few people in Moscow nor their contract with the people. Everyone must understand that he must not be a blind tool in the hands of the authorities and that his passivity and nonresistance merely deepen the abyss and open up the way for those who wish to assert their radical course and impose their aggressiveness on society. People today undoubtedly find it hard to fathom out who is who, because the radicalism of the mass media, particularly television, does not allow them to form an objective opinion of what is happening. But there is the Duma, which constitutes a certain cross section of society, and there are the regions, whose interests are virtually identical. On this basis it is necessary to strive for order and the stabilization of the institutions of power and then carry out those transformations in the economy which will benefit the people and Russia.

[Kasyanenko] Do you believe that the president, the government, and the power structures will agree to—or will permit—a change of course?

[Zorkin] The ideal, of course, would be to hear confession and a statement that a wrong, antipeople course was chosen and that they are prepared to change it, to heed the people's opinion, and to act in the future only for the good of Russia. This would mean pulling back from the abyss in a peaceful, bloodless, and civilized manner.

We can see on the basis of our own experience that transformations should not be entrusted to one person without a team vested with the people's trust. The present collective Rasputin can be countered today only by some capable organ, call it what you like—collective president, state council, etc. Naturally, it must be headed by a leader, but he is obliged to accede to power not with domestic servants but with a team of authoritative people representing the main political spectrum of society. This is the only way to achieve accord. Collective leadership does not mean evading responsibility but creating a mechanism which enables us to unite various movements and parties in a single congregational organism responsible for its actions not to foreign experts but to the motherland and the people. One person cannot assume the responsibility of deciding for the whole people, as is done in our practice and as was the case with the Belovezhskaya Forest troika, for example.

[Kasyanenko] Valeriy Dmitriyevich, certain so-called "democratic" mass media constantly run the topic of the president's health, and in this connection, for some reason, frequently on the same page, they discuss the question of his possible successors, early elections, etc. I have even read that your involvement with the "Accord for Russia" movement marks the start of your election campaign.

[Zorkin] Let such allegations remain on the conscience of those who make them. In general, this represents one more attempt to brand the opposition and those people who really want to do something for the motherland. I personally cannot imagine myself as president, and I am dubious about the way aspirants in general are appearing. When the roof of a building is on fire, it is suicidal to think about which chair it is best to sit in. Both the chair and the person sitting in it will burn. For me the question of who will fulfill a package of measures blessed and supported by the people is secondary. The chief thing is that it should be fulfilled.

[Kasyanenko] The initiators of the "Accord for Russia" movement were leaders of the opposition and of the patriotic forces, very different people who were interesting in their own way but who had hitherto acted separately. What helped you to unite?

[Zorkin] Life and destiny. Theoretically, this should have been done considerably earlier. Then, maybe, what we have now would not have happened. I believe that life, in the end, will make not only the opposition unite but also the former union republics. For we were like a single living organism which found itself destroyed. As a result, everyone acquired very similar problems. Why should everyone resolve them on his own and keep to his own segment when this can be done more successfully by uniting on terms acceptable to all? Any division or disunity is always the result of someone's arrogance, whatever reasons are used to cover this up. The sooner this is understood in Russia and in other republics, the better it will be for everyone.

[Kasyanenko] In conclusion, Valeriy Dmitriyevich, please tell our readers what connections you have with the countryside.

[Zorkin] I believe that there are very few Russian people whose roots are not connected somehow with the land. My own grandmother, mother, and other relatives used to live in a village in Tambov Oblast. I attended my first three classes in a rural school. They were the hard postwar years. The countryside fed us with goosefoot, rotten potatoes, and black bread, but it did not let us die. But there was war, devastation, and general grief then. I very much want us not to end up with no awareness of our past and not to forget about our roots and the land which nurtured us.

Economic Issues

Civil Aviation Strike Temporarily Suspended

LD1905063294 Moscow Mayak Radio Network in Russian 0600 GMT 19 May 94

[Text] Russia's airports are working at normal levels this morning. The strike by civil aviation pilots has been

temporarily suspended. Today in Moscow city court the case against the flight crews' trade union will be heard.

Pilots Postpone Strike to 2 Jun, To Meet Labor Officials

LD1905073694 Moscow ITAR-TASS in English 0700 GMT 19 May 94

[By ITAR-TASS correspondent Viktor Petrenko]

[Text] Moscow May 19 TASS—Russia's airports are working as usual from Thursday morning. Wednesday's strike of airline pilots, involving three per cent of all the crews, has been suspended. On Thursday, a delegation of the union of pilots is to meet officials from the Labour Ministry at the ministry's headquarters. The meeting is expected to consider the pilots' demands.

"We have postponed the action until June 2 to make another attempt to find a common language with the ministries and departments which can solve our problems", Alfred Malinovsky, leader of the union, told ITAR-TASS. "The negotiations will focus on safety of pilots and pensions for the airline staffs. Now the pension benefit of an airline veteran comes to only 65 thousand roubles. By the way, we do not demand extra funds from the state budget - we are ready to contribute the bulk to the pension fund", Malinovsky said.

The pilots believe the problems of job cuts are not of less importance. The current state of affairs does not rule out dismissal of some eight thousand best-skilled pilots aged from 27 to 37 years. This may lead to a sharp growth in crashes. The pilots propose to creat a foundation of airline personnel employment which will care for provision of jobs for the most experienced personnel.

On Thursday, the Moscow municipal court is to consider the action brought by the office of the Russian prosecutor-general against the union of pilots. According to the action, the strike must be declared illegal. The case was to be heard on Wednesday, but the hearing was postponed because the union's representatives did not turn up.

Procuracy-General Files Suit Against Pilots Union

LD1805125794 Moscow Radiostantsiya Ekho Moskvy in Russian 1100 GMT 18 May 94

[Text] The Russian Procuracy-General has filed suit against the trade union of flight personnel, demanding that the indefinite strike of pilots be declared unlawful. According to the Ministry of Transport, 15 flights in Russia did not take place because of the strike.

Fedorov Sees Budget as 'Bad' but 'Worth Voting For'

PM1805095594 Moscow IZVESTIYA in Russian 17 May 94 p 2

[Article by State Duma Deputy (and former Finance Minister) Boris Fedorov: "Economy in Wake of Accord Treaty"]

[Text] The recent signing of the Accord Treaty, in which many political groups did not participate for different reasons, while others cast doubts on its effectiveness, has prompted some sad thoughts about the fate of economic reform.

The actual signing confirmed yet again that there was never any confrontation in Russia between reformers and antireformers, as was often suggested to the uninitiated. The struggle for power does not always mean the same thing as the struggle for reform.

If we think about it, economic reform in the USSR and Russia in recent years came about more in spite of rather than thanks to the ruling groups. Specific economic interests have to be sought for everything, and real reforms always lead to a loss of administrative power for nomenklaturas of any stripe.

The economic reforms in Russia today have run ahead of society's political maturity, which at a certain phase inevitably leads to equilibrium being restored through a serious crisis. It is no accident that the "Chinese experience" is so popular in certain circles—everyone thinks of its economic side, when what they really mean is the political side.

Meanwhile Russian statehood is under deadly threat from the crisis of central power, the destructive activity of a number of regional elites, and the criminalization of society. And the interests of our statehood are being sacrificed for the sake of the struggle for an increasingly ephemeral power. All this inevitably leads to the appearance of phenomena such as V. Zhirinovskiy.

Another factor in instability is the damage being done to the democratic movement in Russia in the broad sense of the word. Every second person is a presidential contender, and the rest are geniuses. The evolution of political and economic views on the part of a number of leading democratic politicians is striking, and there is no limit to their personal ambition.

Is there any real possibility of some kind of peace? In my view, we must agree with G. Yavlinskiy: If illegal or simply violent methods are used, then this is a matter for the law-enforcement organs. If these are legitimate measures in the political struggle, then no accords will help. Political opponents are hardly likely to give up the struggle for power.

What are the prospects for economic reform in this context? To my mind, signing or failure to sign will not affect the reforms, since the treaty's provisions are vague

in the extreme and are not aimed at accelerating reform. Equally, it is time we recognized that reforms are never carried out anywhere with the consent of all and sundry. That is a fairytale. Somebody has to take responsibility.

This responsibility lies primarily with the executive and the president. Parliament, with its current factionalism and the executive's attitude toward it, is incapable of making the breakthrough.

The loyalty shown by flexible ministers is rewarded by awarding them extraordinary vice premier titles; for signing the treaty some (like Travkin) have received ministerial portfolios, while others have obtained trillions under a "clarified" budget. Where is the reform in that?

Nonetheless, I remain convinced that this time too it is worth voting for the budget along with the happy Agrarians and Communists, but without the Gaydar Democrats. But for a different and simpler reason.

Yes, the budget is bad and absolutely unrealistic. Yes, the actual deficit will be nearer 50 percent of budget expenditure than 36 percent.

But this budget is at least not the disaster which sectoral lobbyists were ready to organize at any minute. It would be hard to expect anything better from the current government. We will probably have a new wave of inflation in three months' time, but, I trust, it will not be an explosion.

But the most important thing is that the government's hands are bound by legislative fetters and it will be very easy to verify its fulfillment of its obligations. Any expenditure decision over and above the budget will be illegal. The government itself, if it wants to retain its freedom of action, will find it advantageous to reject the budget. It will now be impossible for agrarian and other lobbyists to demand any further increase in appropriations.

God willing, what has been submitted will be fulfilled. In a few months' time everything will be clear, and it will be possible to pass a verdict of confidence or no-confidence in the government.

Chernomyrdin Criticizes Work of Economy Ministries

LD1805104194 Moscow ITAR-TASS in English 1006 GMT 18 May 94

[By ITAR-TASS]

[Text] Moscow May 18—Russian Government head Viktor Chernomyrdin, hot on the heels of his meeting with the Russian president on Tuesday, convened an emergency conference with the leaders of a number of ministries in charge of the national economy to criticise their style and methods of work and demand that control be tightened of the fulfilment of decisions and the deadlines of executing documents.

Chernomyrdin demanded an upgrading of executive discipline and stressed the leaders' personal responsibility for reforms and specific measures aimed at stabilising finances and economic performance.

Aleksandr Shokhin Cited on Support for Small Businesses

MK1805094094 Moscow SEGODNYA in Russian, 18 May 94, p 2

[Yelena Tregubova report under the "Support" rubric: "Government Promises to Ease Taxes for Small Businesses. Local Authorities Not Averse to 'Redistributing' Them in Their Own Favor"]

[Text] Addressing a seminar on the problems of low-level enterprise that opened yesterday, Leonid Bochin, chairman of the Russian Federation State Committee on Antimonopoly Policy, declared that "since entrepreneurs are not to expect large-scale direct credits from the budget," the main state support for small businesses will consist in "considerable tax breaks and freeing from spending on social infrastructure." Minister of the Economy Aleksandr Shokhin confirmed that "lifting the burden of outlays for housing, health services, etc.," would be one of the main areas of "post-privatization state support for businesses."

The economy minister stated that a "Council for Economic Reform" will soon be set up, consisting of representatives of executive power and Federation Council deputies. The Council "in the context of the Treaty on Social Accord" will create a "working conciliation mechanism," and, in particular, will develop a new concept of tax policy. Aleksandr Shokhin hopes that the Council's experts will manage to draft proposals before the State Duma looks at a Tax Code.

The economy minister promised that two weeks from now, a draft law "On State Support for Small Non-State Enterprises" will be put before the government. The government proposes to prepare in the second quarter draft amendments to the law "On Enterprise and Entrepreneurial Activities." They will deal with state guarantees for the rights of entrepreneurs and provide for simplified registration procedures for entrepreneurs who are not legal entities.

Aleksandr Shokhin underscored that the rise of small businesses depends to a considerable degree on the good will of the regional authorities. Today the seminar's "roundtable" will be discussing possible interaction between federal and regional bodies to develop small businesses. Already yesterday there emerged one of the topics of the discussion—the leaders of territories are asking the center "to redistribute the bulk of business taxes in favor of local authorities."

Soskovets Concerned on Air Safety, Health of Industry

LD1805123694 Moscow ITAR-TASS in English 1206 GMT 18 May 94

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Ulyanovsk May 18 TASS—First Vice-Premier of the Russian Government Oleg Soskovets expressed concern over the safety of flights and the condition of the aviation industry during his visit to the "Avesta" joint stock society on Wednesday.

He pointed out that plans made by foreign companies to enter the Russian market are becoming a reality. "Foreign planes are directly purchased and leased from abroad which means that we are beginning to lose the CIS market," Soskovets said.

The director general of the Aviastar joint stock society, Viktor Mikhailov, said the auctioning with the involvement of other investors had failed to produce the desire economic effect. According to Mikhailov, part of the planned credit allocated by the state was used for new technologies. "The shortage of completing parts remains one of the worst problems today," Mikhailov said.

Industry Chief Calls for National Aviation Policy

PM1805133794 Moscow ROSSIYSKAYA GAZETA in Russian 17 May 94 First Edition p 3

[Interview with Viktor Chuyko, president of the "Aircraft Engine Builders' Union" Association, with ITAR-TASS correspondent Yevgeniy Nikitin specially for ROSSIYSKAYA GAZETA: date, place not given: "We Make High-Class Engines. But We Are Unable To Sell Them"]

[Excerpt] [passage omitted] [Nikitin] What is aircraft engine manufacturing doing to maintain the state's lofty status?

[Chuyko] Aeroengine manufacturing is enabling us to make scientific developments. The developments used in a military engine are used five years later in a passenger aircraft and in another five years in gas-turbine engines, in nuclear power engineering, shipbuilding, gas pumping, etc. Aviation science gives rise to new areas of industry and agriculture. More precise calculations are used along with new methods of technological processing and new equipment. And all that provides work for metallurgists, instrument manufacturers.... We are currently manufacturing around 200,000 mini-tractors and cultivators for agriculture.

[Nikitin] What do you consider the main conditions for the development of aircraft engine manufacturing?

[Chuyko] The main thing for us today is to formulate a national aviation policy. We need to secure state backing for science and for aircraft production and operation, focus efforts on ensuring flight safety, and bear in mind all the features involved in the privatization of defense complex enterprises. We must make up our minds what we actually want.

Labor Minister Notes Unemployment in Defense Sector

MK1805131094 Moscow NEZAVISIMAYA GAZETA in Russian 18 May 94 p 2

[Unattributed report under the "In Brief" rubric]

[Text] Izhevsk—Hidden unemployment at Russia's defense complex enterprises now tops 10 percent while it is 6 percent on average around the country, Russian Federation Labor Minister Gennadiy Melikyan told a RIA correspondent. He pointed out that military-industrial complex enterprises cut back the output of military products by 65 percent over the recent year. In the minister's estimate, 1.4 million of the 70.5 million able-bodied citizens of Russia have been registered to date as officially unemployed with 4.45 million categorized among those who need to be set up in employment.

Minimum Wages To Be Raised to 19,500 Rubles in Jun-Jul

MK1805124694 Moscow NEZAVISIMAYA GAZETA in Russian 18 May 94 p 1

[RIA report under the "In Brief" rubric: "Next Indexation in Summer"]

[Text] Yet another indexation of minimum wages in the Russian Federation will take place next June-July, Russian Labor Minister Gennadiy Melikyan said. In his words, the minimum monthly wage in Russia will be increased approximately 1.4-fold, that is, to around 19,500 rubles.

Value of Deals With Western Oil Companies Questioned

PM1805140!94 Moscow ROSSIYSKAYA GAZETA in Russian 17 May 94 First Edition p 3

[Nikolay Dudnikov report: "Oilmen Killing Off Wells. Because of Debts"]

[Text] Yamalo-Nenetsk and Khanty-Mansiysk Autonomous Okrugs—Sabotage against oilmen. That is how V. Gorodilov, general director of the "Noyabrskneftegaz" Joint-Stock Company, views the situation that has developed with regard to black gold in Russia. How else you can explain the fact that Russia is turning down a highly valuable raw material that is the country's main source of revenue?

All the main pipelines are full of oil, but the refineries do not want it. The Omsk Oil Refinery, for instance, which usually used to take 60,000-70,000 tonnes of crude a day from the men of Noyabrskiy, has now "frozen" the amount at 30,000 tonnes. And it is quite possible that the

emerging downward trend in Omsk's demand will continue. As a last resort the "Purneftegaz" and Khanty-Mansiysk Autonomous Okrug fields are now pumping oil only four hours a day.

What does this oil policy mean for Russian citizens? The decline in refineries' receipts of crude oil will create a shortage of fuel and lubricants and increase their prices. What is the consumer to do—in particular the agrarian sector, faced with the imminent sowing campaign?

Analyzing the prevailing situation, some mass media at the prompting of high-ranking officials are trying inter alia to heap all the blame for the soaring prices on the oilmen. But they are forced to say in their defense that, whereas the increase in food prices is keeping pace with inflation at 10-12 percent, the price of production resources is up 40 percent. And that made them raise the price of the raw materials. Why am I using the past tense? Because the direct producers of oil have not been dictating anything to anyone since the beginning of the year. Inter alia in January the Noyabrskiy were getting 80,000 rubles [R] per tonne and in February just over R60,000.

Incidentally, Russian Fuel and Energy Minister Yu. Shafranik recently asked V. Gordilov: How is the decree on cooperation with foreign firms in repairing wells being implemented? The answer from the well-known Russian specialist and head of a major oil production unit was unequivocal: For Russia, this cooperation does not pay.

When we use oil to settle up with foreign countries we receive equipment at a price inflated, according to some estimates, by as much as 100 percent. At the same time Russia's oilmen are becoming technologically dependent on foreign firms. And that is not all. In doing that we are destroying with our own hands a national industry geared to the production of equipment for the oil and gas industry.

Head of State Grain Inspectorate Interviewed

PM1805122594 Moscow SELSKAYA ZHIZN in Russian 17 May 94 p 1

["Topical interview" with Igor Chekmezov, chief of Russian Federation State Grain Inspectorate, by Pavel Khomitskiy; place and date not given: "As You Were"]

[Text] The State Grain Inspectorate (Rosgoskhlebinspektsiya) was created in the Russian Federation at the end of April, directly subordinate to the government. Our correspondent talked with its chief—Igor Chekmezov, chief state grain inspector of the Russian Federation.

[Khomitskiy] Igor Mefodyevich, why was the grain inspectorate created specifically under the government? For there was previously a similar organization under the former Committee for Grain Products of the Russian Federation Ministry of Trade and Material Resources, was there not?

[Chekmezov] Yes, there was. Throughout the 70 years of its existence this was a departmental service. But in August 1992, in accordance with a presidential edict, the state system of grain products started to be eliminated, shares in grain-reception, milling, and groat and mixed-feed enterprises were floated, and the committee which you mentioned was reorganized as the "Roskhleboprodukt" Joint-Stock Company, which, as a commercial structure, lost the functions of state control. Therefore the Russian Federation Law "On Grain" of 14 May 1993 provided for the creation of the Roskhlebinspektsiya under the government.

[Khomitskiy] What will be the main functions of the inspectorate which you head?

[Chekmezov] It is no secret that 15-20 percent of the grain is lost on the way from the field to the consumer's table. Therefore our main concern today is to do the utmost to help reduce and prevent these losses by means of control over production quality and the rational utilization both of the grain itself and of the products of its processing. At all stages. Of course, we also will not lose sight of the transportation and storage of grain and oil seeds.

It has to be said that at the present time many organizations which have the money to get their laboratories accredited have secured the right to determine the quality of grain and of the products of its processing. It goes without saying that discrepancies in issuing descriptions of the selfsame consignments of grain by different structures are simply inevitable. A government decree has laid down that certificates and conclusions by the Rosgoskhlebinspektsiya and its organs locally are obligatory for all legal and physical persons.

I wish to emphasize especially that we will carry out compulsory state inspections of the quality of grain, the products of its processing, and oil seeds being supplied for export, to regions of the Far North, and to military consumers and consumers equated with them, as well as of those being imported, with the appropriate certificates being issued. At the same time we alone will be exclusively responsible for inspecting the grain being exported.

One of our service's most important tasks in the future will be to elaborate proposals for shaping state policy in respect of grain and also to draw up the rules of a civilized grain market.

[Khomitskiy] How will your inspectorate be represented in the provinces? Who will finance it?

[Chekmezov] Territorial organs of the Rosgoskhlebinspektsiya are being created in all the national formations, krays, and oblasts where there is commodity production of grain. The cost of maintaining them will be met out of the federal budget and from nonbudget sources. What is meant by the latter is our organs' rendering of paid services—on a contract basis—to all commercial structures conducting grain transactions.

[Khomitskiy] Peasant labor accounts for most of the labor in a grain product. But as for remuneration, the present so-called "market" leaves rural folk with not even a share but a tiny share of the proceeds from sales of grain or grain products. Does the Rosgoskhlebinspektsiya intend somehow to promote the removal of this injustice?

[Chekmezov] Of course! In connection with the liberalization of the grain market various commercial organizations and private persons, who frequently seek to deceive the commodity producer, have begun making grain purchases. Therefore, at the request of the grain producer and on its own initiative, the Rosgoskhlebinspektsiya will monitor the correct determination of the quality of grain in trade deals. Incidentally, we also intend to do the same when grain is delivered to elevators and grain-reception centers.

[Khomitskiy] Harvest time is not far off and, like the sowing campaign, it will require considerable energy sources. Does the Rosgoskhlebinspektsiya intend to give the commodity producer any assistance in upholding the idea of parity for the prices of fuel and lubricants and of grain?

[Chekmezov] You know, it is my conviction that this would be fair. As for real assistance for peasants on our part, in this case, again, I see it as the task of our organs locally not to allow businessmen (but it would be more accurate to say rogues, who frequently hide behind this fashionable word) to cheat the rural commodity producer in barter deals (fuel and lubricants for grain) by means of artificially understating the quality and, accordingly, the price of the latter.

[Khomitskiy] In conclusion I will ask you to say a few words about yourself.

[Chekmezov] About myself.... To be brief, I will say this. After graduating from an agricultural institute, I traveled the path from agronomist to chief of a rayon agricultural administration, working on farms in Rostov Oblast's Morozovskiy and Milyutinskiy Rayons.

From 1975 I worked in the system of the USSR Ministry of Grain Products, becoming deputy director and then director of the Morozovsk Elevator, again in Rostov Oblast. In 1987 I was invited to work on the central apparatus of the USSR Ministry of Grain Products, and two years later I headed the State Grain Inspectorate under the USSR Council of Ministers State Commission for Foodstuffs and Purchases. For the past two years I led the Administration for Purchases of Grain and Oil Seeds of the Grain Products Committee of the Russian Federation Ministry of Trade and Material Resources and headed the "Zerno" Firm of the "Roskhleboprodukt" Federal Contract Corporation.

[Khomitskiy] Well, in that case you are the right man for the job, as they say. I thank you for the conversation and wish you success!

Spring Impacts on Early May Food Price Increases

PM1905102794 Moscow ROSSIYSKAYA GAZETA in Russian 18 May 94 First Edition p 2

[Report from the Russian Federation Government Center for Economic Conditions: "Month of May to Blame"]

[Text] Over the past week inflation was 1 percent. Foodstuffs were up 1.9 percent, nonfood goods 1.2 percent and paid services to the population were up 1.9 percent.

Prices for goods and services grew most noticeably in the cities of Eastern Siberia, which recorded Russia's biggest rise in the price of foodstuffs and paid services to the population. The smallest change in consumer prices last week—less than 1 percent—was recorded in the Northern Region.

Prices in the unofficial trading system continued to rise faster than in the official trading system. Price increases in Moscow for the main foodstuffs, nonfood goods, and services corresponded to the average Russian level; they were higher in St. Petersburg—at 2.9 percent.

Spring is to blame—specifically, the month of May. The seasonal increase in the cost of fruit and vegetables (by 11.9 and 5.2 percent respectively) affected prices as a whole. Moreover, prices for meat products and salt were up more than 2 percent over the week, while the price of dairy products, butter, vegetable oil, sugar, and flour increased by less than 1 percent. The only things unaffected by the spring are chickens and alcohol producers—egg and vodka prices were unchanged.

The average cost of the basket of a month's worth of the 19 most important foodstuffs on 10 May was 49,700 rubles [R]—up 2.4 percent on the week and 4.4 percent since the start of the month.

The variation between the maximum and minimum cost of the basket in different Russian cities remained at last week's level—270 percent.

The most "expensive" area is still the Far East Economic Region—the basket there cost R83,100 for the whole month. After a week's break, the "cheapest" area is once again the Central Chernozem Region—R38,900.

Price growth for nonfood goods during this period has been minimal this year—1.2 percent. Notable increases continued to be recorded by matches (up 4 percent), wallpaper (up 3.8 percent), and medicine (up 3 percent, including a 10-percent rise for nitroglycerin).

The cities of the Far East Region—Petropavlovsk-Kamchatskiy, Nakhodka, Yakutsk, Yuzhno-Sakhalinsk, and Magadan—are constantly on the list of the 10 cities with the highest price levels for certain types of nonfood goods. Thus, last week Petropavlovsk-Kamchatskiy was in the top 10 most "expensive" cities for half of the 40

industrial goods surveyed, as was Nakhodka for 17, Yakutsk and Yuzhno-Sakhalinsk for 14, and Magadan for 7.

Average Cost of Basket of the 19 Most Important Foodstuffs Forming the Basis of the Population's Weekly Purchases (In Rubles, Per Person Per Month)

[In the following table the headings denote: A—cost of basket per month (in rubles); B—U.S. dollar rate of exchange set by the Central Bank of Russia; C—Cost of the basket in January 1991 prices in the United States ($88.29) expressed in rubles at the Central Bank of Russia rate]

1993			
	A	B	C
January	5,073	568	50,149
February	6,449	653	57,654
March	7,478	684	60,390
April	8,527	812	71,691
May	10,850	1,050	92,705
June	13,103	1,060	93,587
July	16,469	994	87,760
August	18,318	993	87,628
September	20,410	1,201	106,036
October	23,347	1,189	104,977
November	27,708	1,231	108,685
December	30,724	1,247	110,098

1994			
January	37,547	1,560	137,732
February	41,277	1,668	147,268
March	44,278	1,753	154,772
April	47,579	1,820	160,688
10 May	49,663	1,859	164,131

Spring Sowing Figures Inspire 'Some Optimism'

PM1805152194 Moscow ROSSIYSKIYE VESTI in Russian 18 May 94 p 2

[Yuriy Rytov report under the "Social Focus" rubric: "All the Same, the Prospects for the Harvest Are Unenviable"]

[Text] The other day I bought a pack of garlic from a nearby vegetable store. Removing the plastic wrapper at home, I discovered large, completely unspoilt bulbs. Where was this garlic from? From Argentina, my friends!

Well then, we have entered the world market with such speed that we can no longer produce anything. You see "Snickers" wherever you go: Have some—no thanks....

And how do matters stand with our own agricultural output? To put it mildly, not very well. According to Russian Federation State Committee for Statistics figures, as of 25 April 2.3 million hectares (15 percent of the area sown) of winter crops on Russian Federation farms had perished. This includes 2.1 million hectares (15 percent) of grain crops.

And where have the winter crops perished? On our most fertile lands! In Voronezh Oblast half of all crops have perished. In Volgograd and Astrakhan Oblasts—a third. In Krasnodar Kray—27 percent.

I asked the leading experts: What is the cause of this disaster? No one could give me satisfactory explanations. Unforeseen weather conditions, they suggested: There was a sharp frost, but there had been no snow.... The there are the mysterious subsoil waters, which suddenly changed their course.

OK. What about the spring crops? As is the custom, they have caught up and overtaken. Spring crops (as of 25 April) have been sown on an area of 5.2 million hectares. Of these cereal crops account for 3.7 million. Last year the corresponding figures were 4.0 million and 2.8 million hectares.

And more sugar beet has been sown than last year as well—231,000 hectares, and more sunflower seed—260,000 hectares. (Last year the corresponding figures were 197,000 and 92,000 hectares.) Add to this an increase of one-third in the area under potatoes and vegetables.

The figures do inspire some optimism. But here is how they are assessed by the experts from the Russian Federation Government Economic Conditions Center, which cannot be accused of prejudice. In their opinion, a 10-percent reduction in the output of eggs can be expected in the first half of this year compared with the same period last year, together with reductions in the production of meat and milk of 20 and 31 percent respectively. The overwhelming majority of Russians will find it hard in such conditions to survive until the promised lavish harvest.

And will it be so lavish anyway? After all, it is not enough to grow a crop—it must also be gathered, stored, and processed. Yet storage and processing capacity is hardly increasing at all. So the prospects for the new harvest will hardly be enviable.

Media Issues

RUSSKIY VOSTOK Suspended for Violating Mass Media Law

LD1905080494 Moscow ITAR-TASS in English 0611 GMT 19 May 94

[By ITAR-TASS correspondent Vladimir Khody]

[Text] Irkutsk May 19 TASS—The far-regional inspection for the protection of the freedom of the press and the mass media has suspended the newspaper RUSSKIY VOSTOK instituted by the local national patriotic movement Vernost.

The newspaper managers were notified that the newspaper was suspended for going beyond its goals and tasks outlined in its programme, which the newspaper did several times. The inspection declared that a recent publication containing insults against lawmakers of the Irkutsk regional legislative assembly, which was entitled "Thieves Have Won or New Regional Committee in Action", was aimed at flaring up social tension and intolerance, which violates Article 4 of the Russian Law on the Mass Media.

The newspaper, which is sold beyond the Far-Eastern region and practically has a nationwide status, will have to be re-registered in Moscow.

ROSSIYSKAYA GAZETA Protests Nonreceipt of Official Papers

PM1805154394 Moscow ROSSIYSKAYA GAZETA in Russian 18 May 94 First Edition p 1

[Unattributed report: "Not on the List Again"]

[Text] ROSSIYSKAYA GAZETA readers have been surprised by the absence of any official reports on the appointment of Democratic Party of Russia leader Travkin as a Russian Government minister.

We have established why the editorial office has not received the official text of the Russian Federation president's edict. It was explained to us at the relevant President's Staff organs that our newspaper was not on the distribution list for this document.

Unfortunately, this is not the first instance of the editorial office's failing to receive certain official documents. We would like to recall once again that a procedure has been laid down whereby publication of Russian Federation presidential and government acts in ROSSIYSKAYA GAZETA is an official basis for the documents' coming into force. Just which negligent civil servants should be reminded of this?

ROSSIYSKAYA GAZETA Announces 'Special Weekend Edition'

PM1805103394 Moscow ROSSIYSKAYA GAZETA in Russian 18 May 94 First Edition p 1

[Unattributed report: "Special Weekend Edition"]

[Text] A pleasurable read. A selection of the most interesting items. This opportunity will be afforded to ROSSIYSKAYA GAZETA readers from July by the publication of our weekend edition. This will not simply be a "Sunday" version of our newspaper. It will not just be an absorbing read—there will also be private meetings with celebrities, highly topical stories, coverage of unusual events and unusual real-life stories, and an invitation to readers to enter secret archives and "closed" laboratories.

The new edition will provide our subscribers with a news dossier on breaking stories in all walks of life that relate to people's vital interests. It can therefore act as useful notification, advice, or a counter-recommendation. The weekend ROSSIYSKAYA GAZETA will also be an authoritative TV viewers' guide. Several pages will be devoted to detailed coverage of what TV is saying and showing, a full weekly TV schedule, notes on the most entertaining shows, meetings with popular presenters, and a "behind-the-scenes" look at TV. The TV guide will feature clear descriptions—so viewers will not have to guess whether the evening's movie is a thriller or a weepie.

Separate subscription is being organized to the Sunday ROSSIYSKAYA GAZETA. The cost for six months will be 9,000 rubles.

Military & Nuclear Issues

Servicemen Arrested for Starting Fire at Arms Depot

LD1805172694 Moscow INTERFAX in English 1552 GMT 18 May 94

[Text] Two servicemen who stood guard on the weapon depot of the Russian Pacific Fleet air force have been arrested on suspicion of causing a fire there on May 14.

A spokesman for the Russian Prosecutor General's Office told Interfax that the men had been found to enter the store and try to extract certain parts from a missile. As they were doing this, there was a short circuit and the missile caught fire. They could not extinguish the fire which spread over the depot.

The military prosecutor's office is investigating the case under the Prosecutor General's Office supervision.

Pacific Fleet Officers Appeal for Admiral's Reinstatement

LD1805081694 Moscow ITAR-TASS in English 0723 GMT 18 May 94

[By ITAR-TASS correspondent Yuriy Grachev]

[Text] Vladivostok May 18 TASS—Pacific Fleet officers have appealed to Russian President Boris Yeltsin to reconsider the sacking of the fleet commander, Admiral Georgiy Gurinov.

The appeal was adopted today at a meeting of the officers of the fleets headquarters and administration. The message says that despite the complicated situation, especially after the blast at the fleet's ammunition storage facilities, Admiral Gurinov during his brief term of office succeeded in stopping the worsening of combat capability of the fleet's ships and units, stabilising the

training, lowering the incidence of traumas and the rate of death among the servicemen.

The appeal stresses that Admiral Gurinov was attentive to the needs and interests of the servicemen while demanding discipline at all levels. This is why the officers and admirals of the Russian Pacific Fleet are sure that the fleet needs Admiral Gurinov as its commander, whose moral and professional authority is recognised by the force.

Admiral Gurinov was relieved of his duties on Tuesday, and Vice- Admiral Igor Khmelnov was appointed acting commander of the fleet. According to sources in the Russian Defence Ministry, the sacking came after President Boris Yeltsin's unwritten order.

Paper Reports 'Details' of Far East Explosion

PM1805145594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 May 94 pp 1-2

[Report under "Details" rubric by Natalya Barabash: "First Victim of Maritime Kray Disaster Is Admiral Gurinov"; accompanied by Sergey Avdeyev report]

[Text] The catastrophic explosion at the Pacific Fleet ammunition dumps (KOMSOMOLSKAYA PRAVDA wrote about it yesterday) took place exactly two years to the day after the famous "fireworks" at the arsenal in Vladivostok. A coincidence?

Fire, as is known, is better than rain at removing all traces. At any rate, the people of Novonezhino are sure: "Look, it was the commander that did it.... He was selling guns, and now everything has gone sky-high," an old lady, Praskovya Ivanovna, lamented, as she was being evacuated with her meager goods and chattels from her now roofless little home.

Thefts of weapons are the most widespread crime in the military sphere. Dumps are poorly guarded, the buildings are old and dilapidated, and instead of barbed wire often all you find is a rickety fence. The results of the Vladivostok disaster have never been published. There were rumors of a fire to remove the evidence of thefts. There were some rather garbled reports about seamen dropping smoldering cigarette butts near projectiles.

The cigarette butts turned out to have a long fuse. What is being peddled now, two years on, is theories about the self-combustion of old projectiles, about a forest fire encroaching from the taiga....

"There could not have been a forest fire. I flew over the explosion area myself in a helicopter and the only black traces of fire I could see were inside the dump. They did not cross the strip of forest in front of it," Maritime Kray Administration chief Ye. Nazdratenko said at a news conference.

But he refused to blame the fleet for what had happened, putting it all down to the rampaging democrats who had broken up the army.

But it is not the first time the Pacific Fleet has been the main cause of disasters in the Maritime Kray. The mushroom cloud over Chazhma Bay, the nuclear submarine that sank in Bolshoy Kamen—all that was in the eighties.

In 1991 Vladivostok came under fire during trials of the guns mounted on the warship Admiral Vinogradov. The shells overshot the target and happened to expolode in the air above a residential district. Later, two navy aircraft exploded in the air as they were just reaching Vladivostok.

Maritime Kray is still literally crammed with military equipment—there are still around 15 similar ammunition dumps there. One of them is in the very center of Vladivostok, on the densely populated Egersheld peninsula. The fleet leadership assures us that there is no possibility of its being removed. Unless, of course, there is some assistance from cigarette butts....

Meanwhile Maritime Kray is counting the cost. According to the experts, there has been nothing in Russia before to compare with the disaster in Novonezhino. The dump (four kilometers long and 1.5 kilometers wide) is beyond recovery—there is a massive gaping creater where it used to be. The remaining ammunition—around 30 percent—will be destroyed. Most of the houses in Novonezhino are beyond repair. Thousands of people were made homeless by the explosion and have now been moved to other parts of Maritime Kray. Hectares of sown land and neighboring villages have been showered with explosives.

So the kray leadership's optimistic statements about there being "no casualties" could be premature, alas. Only a week ago KOMSOMOLSKAYA PRAVDA wrote about a boy who was blown up by a shell left over from the explosion of two years ago.... [Barabash ends]

Sergey Avdeyev commentary: "Concerning Which"

Yesterday fleet commander Adm. Georgiy Gurinov was added to the list of victims. He was removed from his post by an edict of the Russian president "because of continuing serious incidents in the fleet entrusted to him and an overall decline in combat readiness, and for personal negligence in his work."

The dismissal of the commander, who had been in this post for a little over a year, in itself seems somewhat strange. How could the new admiral, appointed by an edict of the same president only recently, in such a short time have ruined a fleet which until recently was considered one of the best in the country?

Vice Admiral Igor Khmelnov has been appointed acting commander. While in no way doubting his professional capabilities and personal qualities, I will merely observe that when commenting on the lessons of the 1992 Vladivostok arsenal explosion Igor Nikolayevich gave the following firm assurance: From now on all fleet arsenals will be safe.

Operation Scheduled for Sealing of Sunken Nuclear Sub

MK1905074394 Moscow SEGODNYA in Russian 19 May 94 p 1

[Kirill Dybskiy report under the "Komsomolets" rubric: "Emergency Situations Ministry To Make Sunken Submarine Water- Proof"]

[Text] On Wednesday, the Russian Federation Ministry on the Affairs of Civil Defense, Emergency Situations, and the Elimination of Effects of Natural Disasters officially announced the date when the "Academician Keldysh" research ship will leave for the site where the "Komsomolets" nuclear submarine sank. Sergey Khetagurov, deputy minister of civil defense and emergency situations, said that the expedition will start out in Kaliningrad on 15 June. The "Academician Keldysh," which en route will also visit Denmark and Norway, will cast anchor on 1 July at the site of the submarine's sinking.

The expedition has been tasked with constantly monitoring the environmental situation in the area of the submarine's demise and sealing its bow section. To this end, there are two deep-sea "Mir" bathyscaphes equipped with special on-board manipulators. According to Mr. Khetagurov, a total of $4.1 million and 1.5 billion rubles has been allocated for carrying out the expedition from various financial sources. Its final aim, however, is to help draw up a large-scale federal program to prevent incidents with particularly dangerous objects in sea areas and to ensure rapid reaction in the event such incidents do occur.

Withdrawal of Nuclear Submarine From Russian Navy Planned

LD1805142694 Moscow INTERFAX in English 1114 GMT 18 May 94

[Text] Interfax learned that one more nuclear submarine would be withdrawn from the Russian Navy.

The submarine is in Vladivostok. Today its crew, headed by Second Rank Captain Vladimir Senyiko, came back from the Primorye Region to Kamchatka.

The submarine has been manned by recruited sailors. Captain Senyiko said they would not lose their job but would be transferred to another boat.

No Safety Accessories on 50 Research Reactors in Moscow

LD1805203694 Moscow INTERFAX in English 1819 GMT 18 May 94

[Text] At the moment, more than 50 research nuclear reactors are functioning in Moscow, but none of them is equipped with safety accessories such as protection shields. Nevertheless, only three reactors of the Kurchatov research center have been closed down since 1992. To make matters worse, they are likely to be brought on-line again in the near future, the former head of the Moscow inspection unit of the State Atomic Supervision Committee (SASC), Vladimir Kuznetsov, told Interfax Wednesday.

Speaking at a news conference in Moscow, he said the situation with safety precautions on the territories of research centers in Moscow was "disastrous."

"The inspection revealed an awful lot of violations. For example, a reactor in the Kurchatov institute has been exploited at two times the capacity it was designed for. While halting another reactor in the Theoretical and Experimental Physics Institute, all its territory was contaminated, and radioactivity is likely to proliferate beyond its limits," he said.

Kuznetsov disagreed with the wide-spread opinion that research reactors are low-capacity, and that the contamination will not be serious in case of an accident. As many research centers, in particular, the Kurchatov Institute, were located within the city limits, an accident will lead to the contamination of homes, hospitals, kindergartens, etc.

Another participant of the news conference, employee of the SASC Research and Scientific Center Vladimir Moskalenko pointed to the "outrageous condition of technical equipment of the reactors."

He said the obligatory check for ionizing emanation was either neglected, or the equipment was so insensitive that the probes could not be correct. He also said there was practically no control of leakages of radioactive gases and aerosols to the atmosphere.

The former employees of the SASC sent an open letter to the State Duma and the Federation Council with a proposal to consider the inexpediency of further use of nuclear installations in Moscow due to a possible disaster.

Federal Assembly

Duma Orders Postponement of Russian-U.S. Exercises

MK1905072694 Moscow SEGODNYA in Russian 19 May 94 p 1

[SEGODNYA report: "Russian-U.S. Military Exercises at Totsk Training Site Postponed"]

[Text] The Russian Federation Defense Ministry has informed the State Duma that the ministry is in receipt of its presidentially endorsed decree on the joint Russian-U.S. exercises at the Totsk training ground. In line with the decree, the Defense Ministry has postponed the exercises and will now conduct talks with the U.S. side

on possibly moving back the opening date for the exercises. The Defense Ministry assures that no preparations are being made for the exercises at the Totsk training ground.

Shumeyko Backs Extending Ossetian-Ingush State of Emergency

LD1805124194 Moscow Radio Rossii Network in Russian 1100 GMT 18 May 94

[Text] Federation Council Chairman Vladimir Shumeyko has spoken in favor of re-extending the state of emergency in the zone of the Ossetian-Ingush conflict, which comes to an end on 31 May. Interfax reports that at today's meeting with journalists he noted that the settlement of the situation in that region will be difficult to achieve without better relations with the republic of Chechnya. Vladimir Shumeyko said in connection with this that he favored a meeting between Boris Yeltsin and Dzhokhar Dudayev. According to the chairman of the upper chamber, the Federation Council plans to study the question of extending the state of emergency in the Ossetian-Ingush conflict zone at its regular meeting on 31 May.

Duma Orders Inquiry of Yeltsin Dismissal of Procurators

LD1805151394 Moscow Mayak Radio Network in Russian 1300 GMT 18 May 94

[Text] At the suggestion of Deputy Nevzorov, the State Duma has instructed the Security Committee to look into the matter of the dismissal by the president of Russia of three deputy procurators general. The proposal was supported by representatives of the Communists and the Agrarians. They believe that in this case the actions of the president are contrary to the Treaty on Public Accord.

Duma Demands Explanation

PM1905085994 Moscow SOVETSKAYA ROSSIYA in Russian 19 May 94 p 1

[Unattributed report: "Take the Trouble To Explain...."]

[Text] The State Duma has made a decision to invite Aleksandr Yakovlev, the president's representative in the Federal Assembly, and Federation Council Chairman Vladimir Shumeyko to one of its next sessions in connection with the situation which has taken shape around the Russian Federation General Prosecutor's Office. The deputies voiced concern at the fact that President Boris Yeltsin's edicts have dismissed all the deputy general prosecutors and would like to receive explanations of the reasons for this decision.

At the proposal of Deputy Aleksandr Nevzorov, the State Duma instructed the parliamentary committee for security to study the question of the Russian president's dismissal of the three deputy general prosecutors.

He was supported by Aleksandr Mikhaylov, a representative of the Communists' faction, and by the agrarian faction which has issued a statement today asserting that the president's edicts on the General Prosecutor's Office were adopted "counter to the Constitution." The agrarian faction believes that in this case Boris Yeltsin's actions "contradict the Social Accord Treaty and the commitment he has made to operate within the framework of the Constitution and on the basis of the law."

Duma Rejects LDPR Demand to Fire TV Commentator

LD1805125394 Moscow ITAR-TASS in English 1054 GMT 18 May 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow May 18 TASS—The State Duma today declined to support its ruling council decision to suspend television commentator Nikolay Svanidze as requested by the Liberal-Democratic Party of Russia angered by his remarks in last Friday's television program "Details" broadcast by Russian television.

One of the party leaders, Aleksandr Vengerovskiy, told the chamber that his party has repeatedly been the object "of aggression from the mass media" and insisted that the program author and commentator, Nikolay Svanidze, be suspended until the court tries the case.

Vengerovskiy's supporters failed to muster enough votes to request the leadership of the Russian Television Broadcasting Company to act accordingly.

The press service of the Liberal-Democratic Party in the State Duma circulated a report announcing that "all members of the LDPR group of deputies in the State Duma have filed suits in the court against Svanidze".

Contribution to CIS Interparliament Assembly Approved

PM1805130994 Moscow ROSSIYSKAYA GAZETA in Russian 18 May 94 First Edition p 4

[Russian Federation Federal Assembly Federation Council Decree No. 105-1 FC, signed by Council Chairman Shumeyko and dated 25 April 1994: "On the Results of the Fourth Plenary Session of the CIS Interparliamentary Assembly"]

[Text] The Federation Council decrees that:

1. The activity of Federation Council representatives at the fourth plenary session of the CIS Interparliamentary Assembly, held in St. Petersburg 18 March 1994, shall be approved.

2. The Federation Council's plan of measures to implement the decisions and accords reached at the fourth plenary session of the CIS Interparliamentary Assembly (appended) shall be ratified.

3. Federation Council Committees shall take account in their work of the measures envisaged under the plan referred to in Paragraph 2 of this decree, and shall also draw up proposals on subjects to be covered by recommended acts of legislation and other issues with a view to their possible discussion within the framework of the CIS Interparliamentary Assembly, and send these proposals to the Federation Committee for CIS Affairs for generalization before 15 May 1994.

[Signed] V.F. Shumeyko, chairman of the Russian Federation Federal Assembly Federation Council
Moscow, 25 April 1994
No. 105-1 FC
Note: The measures plan is not being published.

Regional Affairs

N. Ossetian Parliament Extends State of Emergency

LD1805175094 Moscow INTERFAX in English 1326 GMT 18 May 94

[Text] On Wednesday the North Ossetian parliament extended the state of emergency in the zone of the Ossetian-Ingush conflict till July 31. Under the parliamentary ruling the state of emergency will be in force in parts of Mozdok, Prigorodny and Pravoberezhny regions and several communities near the capital Vladikavkaz.

Together with the provisional administration of the conflict zone the North Ossetian government should do everything to prevent the operation of terrorist groups, attacks on industrial facilities, army patrols and militia posts in the republic.

Under the federal constitution the ruling of the North Ossetian parliament should be approved by President Yeltsin and the Council of the Federation.

At a Wednesday meeting with the press in Moscow the speaker of the Council of the Federation Vladimir Shumeyko spoke for prolonging the state of emergency. He said the upper house of parliament would discuss the matter at its next session on May 31.

Parliament Agrees to Extension

LD1805143494 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 18 May 94

[Report from Vladikavkaz by correspondent Irina Tabolova; from the "Novosti" newscast]

[Text] Deputies of the North Ossetian Supreme Soviet decided today to agree to the interim administration's request for an extension of the state of emergency until 31 July. The interim administration is currently the only Russian federal authority accepting temporary responsibility for enforcing law and order and guaranteeing citizens' security here.

The present head of the interim administration is Vladimir Lozovoy, who holds the rank of deputy chairman of the Russian Government. He was appointed by Russian presidential decree and placed in charge of a mixed force of servicemen. He has been vested with greater powers than his six predecessors:

[Lozovoy] I have been given powers to speed up a solution to this conflict, to implement the government's decisions. We must engage the main factors—which are political, legal, and socioeconomic. They must be uppermost in securing stability here.

Christian Democrats Hold Congress in St Petersburg

MK1805103894 Moscow SEGODNYA in Russian, 18 May 94, p 2

[Vadim Nesvizhskiy report from St. Petersburg under the "Proximity" rubric: "Christian Democrats of all Countries Unite in St. Petersburg. The RCDU Has Established Contacts with the Russian Proletariat"]

[Text] Leaders of Christian Democratic parties (CDP) from over 20 countries have opened their congress in St. Petersburg under the motto "Christian Democracy Today." According to Andre Louis, vice president of the Christian Democratic International, its main goal is to "devise a joint strategy of the Christian Democrats in a fast changing world."

Within the three "post-Soviet" years the Christian Democrats have managed to find a niche in the legislatures of many former Soviet republics. At the end of 1992, leaders of the Christian Democratic Unions [CDU] of Russia and Armenia, and also the NDP [expansion unknown] of Georgia announced the creation of the East Europe Christian Democratic Union, later joined by the Ukrainian Christian Democrats and the Belarusian People's Front. At the conference the East Europe CDU applied for collective membership in the CDI; to all appearances, they will be admitted in the near future.

It was decided to continue a dialogue with the Muslims by holding the fourth round of talks in Manila between the CDI and the RABITA (World Moslem League). At the same time, appeals were made to the RABITA, the Roman Catholic, and the Russian Orthodox Churches to send their representatives to the former Yugoslavia, a move that could help establish religious peace in the country.

Members of the East Europe CDU agreed to exchange parliamentary missions. In the view of Gleb Yakunin, cochairman of the Russian Christian Democratic Union [RCDU], the Russian Christian Democrats have great chances of success, because "the country is leaning toward Christianity." This forecast was echoed by Vitaliy Savitskiy, chairman of the State Duma organizing committee on relations with religious organizations, who said: "The RCDU was the first non-Marxist

party to establish close contacts with the working movement and the first Russian party to forge ties with parties in the former USSR that share its views."

Nuclear Reactor Catalyst Stolen for Foreign Buyer

PM1905092994 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 May 94 p 3

[Report by Vladimir Zaynetdinov: "Look Out, The Osmium Has Turned 'Green'!"]

[Text] Two Yekaterinburg dealers were caught red-handed by Sverdlovsk Oblast counterintelligence agents, together with colleagues fronm the Regional Administration for Organized Crime, trying to sell two grams of osmium-192 to a "company representative." Aleksandr Grigoryev, press group chief at the Sverdlovsk Federal Counterintelligence Service Administration, said that the value of the rare isotope was $110,000

The dealers were caught handing over the commodity. The entire sum was seized.

It has not yet been established where the so-called businessmen obtained the scarce commodity. But one thing is for sure: They were not selling it legally. Right now they stand accused under Article 88 of the Russian Federation Criminal Code of breaking the rules of currency transactions, since osmium is classed as a precious hard-currency commodity.

Osmium-192 is used as a catalyst in nuclear reactors. According to the counterintelligence agents' information, the purchaser was a middleman and the goods were not intended for a Russian customer.

'Apparatchik' Orel Governor Seen Appointing Duma Leaders

PM1805141194 Moscow ROSSIYSKAYA GAZETA in Russian 17 May 94 First Edition p 2

["Rejoinder" by V. Tikhonov, Category I economist in the Glazunovskiy Rayon Administration Financial Department, Orel Oblast, rayon Duma deputy, and member of the Russian Journalists Union: "Stroyev Appoints Everyone"]

[Text] Orel Oblast—...There was an announcement on oblast morning radio that Orel Governor Yegor Stroyev had confirmed the authority of a number of rayon adminstration heads and their combining of their functions with those of chairmen of the newly elected rayon dumas. This undoubtedly should have been expected in line with the statute on local self-government in Orel Oblast for the transitional period. However, "appointmentism" on such a scale as we have in our oblast grated even on people who have seen a thing or two. A few hours later oblast administration spokesman V. Sosunov read out the above order at the first session of our rayon duma and announced that there would not even be any formal elections of the head of the rayon duma. I'll be jiggered! As far as usurping power is concerned the oblast administration has even outdone the old party organs, which also appointed the leaders of the soviets.

However, we must primarily blame ourselves for all that has happened. I consider my mistake to have been voting for Ye. Stroyev twice in the past—in the elections for oblast administration head and in the Federal Assembly election. A party apparatchik with a long service record will hardly be able so easily to abandon the old stereotypes in his behavior.

Common sense suggests that the people's deputies should meet often in order to resolve pressing problems in people's lives and carry out voters' instructions. But it is hard to predict how the so-called duma chairman, who has been appointed (he is, after all, the head of the administration), will like this. So it only remains to envy the former rayon soviet of people's deputies until a law on local self-government is adopted (unless it echoes the Orel instructions).

Khabarovsk Air Staff Will Not Strike; Kamchatka Undecided

LD1805133194 Moscow INTERFAX in English 1114 GMT 18 May 94

[Text] Flight personnel in Khabarovsk did not support the appeal of the strike committee to start a strike on May 18.

Chief of the Far East Civil Aviation Department Technical Service Gennadiy Kobets told INTERFAX that the flight personnel of the Khabarovsk Single Aviation Unit would not participate in the strike on May 18. He suggested that their decision was due to the telegram received from the Russian Air Transport Department which considered the strike illegal. Moreover, the telegram stated that the demands put forward by the strike committee would be discussed by the Russian Labor Ministry on May 19.

The participation of flight personnel of Kamchatka in the general strike is still under question.

Kamchatavia Enterprise General Director Nikolay Nedviga told INTERFAX that they were following closely the response from Moscow and were maintaining contacts with the aviation department. A telegram was received stating that an agreement had been achieved on practically all aviators' demands. However, the issue on pensions, it pointed out, must be decided by the legislative bodies.

Strikers have insisted on implementation of all their demands. This means that the strike is likely to take place and Kamchatka air crews will participate in it.

Army Goes on Air To Expose High-Level Misdeeds in Dniester

MK1805094794 Moscow PRAVDA in Russian 18 May 94 p 2

[Anatoliy Kholodyuk (ITAR-TASS non-staff correspondent) report from Tiraspol: "A Number of Secret Documents Have Been Made Public in the Dniester Region"]

[Text] On Monday the 14th Russian Army disclosed via the local Asket TV network a number of secret documents from the archive of the Dniester Region State Security Committee about uncontrolled issue of weapons to some deputies of the Supreme Soviet and the Tiraspol City Council, and entrepreneurs and employees at commercial organizations. This was done "at their personal request to Dniester Region President Igor Smirnov." Thus, Dniester Region Vice President Aleksandr Karaman owns six types of weapons: two automatic rifles, a carbine, a Makarov pistol....

Residents of the Dniester region learned from the 14th Army's TV program that President Igor Smirnov has used public money to build a luxury cottage on the premises of the Uzbekistan sanatorium in Yalta.

The TV program said that government structures in the Dniester region have intensified pressure against Tiraspol City deputies, the Asket TV studio and also General Aleksandr Lebed and army commandant Colonel Mikhail Berdman who in their public statements expose abuses by representatives of the upper echelons of power in the Dniester region and Tiraspol.

Tatar Party Denies Accusing Shaymiyev of Slowing Reform

MK1805095494 Moscow KOMMERSANT-DAILY in Russian 18 May 94 p 3

[Lev Ambinder report under the "Economic Reform in Tatarstan" rubric: " 'Unity and Progress' Prepares Agreement with the PRES"]

[Text] A working group for drawing up a draft agreement on joint activity with Sergey Shakhray's Party for Russian Unity and Accord [PRES] was set up in Kazan yesterday by the political council of Tatarstan's "Unity and Progress" party. Aleksey Kolesnik, cochairman of the party and deputy of the republic's parliament, has told your KOMMERSANT-DAILY correspondent that the idea of concluding the agreement was discussed with Sergey Shakhray back on 26 April at the inauguration of the PRES Tatarstan branch.

Mr. Kolesnik said in a conversation with your KOMMERSANT-DAILY correspondent that the agreement looks certain to be based on bilateral, public ("non-state!"—the "Unity and Progress" chairman stressed) control over the implementation of the treaty between Tatarstan and Russia. In this regard, Aleksey Kolesnik pointed out, KOMMERSANT-DAILY's allegations on 27 April that his party plans to use the cooperation with PRES "to strengthen its position in its standoff with the authorities" are completely groundless. In a statement on the KOMMERSANT-DAILY publication, the "Unity and Progress" executive committee said: "The party has not accused President Mintimer Shaymiyev of 'dragging his feet on reform and being too careful in carrying it out,' because according to our program we are interested not so much in speed, but rather in the effectiveness of reform. We do not think that confrontation is the best means to achieve political objectives. The experience of Tatarstan's talks with Russia has shown that only through dialogue can positive results be achieved."

At the same time, it is evident that a split is emerging among the party leaders themselves over approaches to economic reform. KOMMERSANT-DAILY has already reported that another cochairman of the "Unity and Progress" party, its ideologist and presidential adviser (now former), Rafael Khakimov, published a series of articles in the local press accusing the republic's leaders of creating an atmosphere of stagnation in Tatarstan. The executive committee of the party's political council distanced itself from the "rebellious statements" by Rafael Khakimov, calling these publications "his private opinion."

However, although "Unity and Progress" leaders keep insisting that their party is not in opposition to the authorities, the government appears to hold a different view. Filza Khamidullin, chairman of the Tatarstan State Economy Committee, refused to cooperate with party specialists when drawing up a government anti-crisis program.

For its part, the "Unity and Progress" executive committee, familiar only with isolated fragments of the draft anti-crisis program being prepared by the State Economy Committee, nonetheless sees it as "not sufficiently market-oriented." Given that the president has sympathetically reacted to the party's economic policy concept and that "Unity and Progress" is made up primarily of the republic's city and rayon nomenklatura, the State Economy Committee's position appears fairly shaky. Mr. Kolesnik explains the current situation as follows: "The expressly market-oriented nature of our program and Mr. Khamidullin's dogged silence in response to our calls for cooperation confirms that someone does not want change but wishes to preserve the Tatarstan economy in its current form."

Meanwhile, the issue is apparently not only that of different views on the situation in the republic's economy and further economic reform. In the view of observers, a conflict between political elites—the old party nomenklatura currently in power and "second-ranking" bureaucrats who have been denied access to power—is deepening in Tatarstan.

Urals Businessmen Secure Contracts at Brussels Exhibition

PM1805103594 Moscow ROSSIYSKAYA GAZETA in Russian 18 May 94 First Edition p 2

[Vadim Khusainov report: "Starting to Respect Us in Brussels"]

[Text] Yekaterinburg—A delegation of Urals industrialists and entrepreneurs have returned from Brussels, where the highly prestigious industrial exhibition "Eurotex '94" was held.

Foreign businessmen showed interest in the proposals put to them from this previously unknown region. In the very near future contracts will be concluded with the Urals Electromechanical Plant, the "Uralkhimplast" Association, and the Kamensk-Uralskiy Electromechanical Plant. The Urals delegation visited NATO Headquarters and reached agreement on cooperation in the conversion of the Urals defense sector.

International Affairs

Austrian Defense Minister Holds Talks in Kiev

AU1805112394 Kiev HOLOS UKRAYINY in Ukrainian 17 May 94 p 1

[Unattributed report: "The Viennese Do Not Only Engage in Waltzing"]

[Text] Dr. Werner Fasslabend, the Austrian Republic's federal minister of defense, is presently in Kiev on an official visit. Yesterday [16 May] he met with Head of the Ukrainian Defense Department Vitaliy Radetskyy. The sides discussed the question of the development of cooperation in the military sphere between Ukraine and Austria, the participation of the two states in the "Partnership for Peace" Program, and their part in assisting the UN peace-keeping actions, as well as the situation in Central and Eastern Europe.

On the same day, a joint Ukrainian-Austrian statement was signed. W. Fasslabend also met with Ukraine's Minister of Foreign Affairs A. Zlenko and Ukraine's Minister of Machine Building, Military-Industrial Complex, and Conversion Dmytro Chernenko. The program of the visit by the esteemed guest also envisages a visit to the Antonov Research and Development and Production Complex [ANTK] and to the Kiev Military Institute of Communications Management.

Russian Monitor Comments on Election Outcome

PM1805123394 Moscow ROSSIYSKIYE VESTI in Russian 17 May 94 p 3

[Article by Yevgeniy Krinitskiy, expert of the State Duma Committee for CIS Affairs and Ties With Compatriots, under "Authority" rubric: "A New Parliament—a New Course? What Russian Parliamentarians Observing Conduct of Ukrainian Elections Saw"]

[Text] The work of the first session of the new Ukrainian Supreme Council, which has just been formed has started in Kiev. Over 500 international observers monitored the conduct of the early elections that took place. They represented the United Nations, the CSCE Parliamentary Assembly, the Council of Europe, the European Parliament, NATO, other organizations, and individual countries. Our compatriots were also among them.

A Russian delegation of eight deputies from various factions and the same number of State Duma experts observed the conduct of the Ukrainian Supreme Council elections. It was headed by Konstantin Zatulin, chairman of the Committee for CIS Affairs and Ties With Compatriots. The Russian parliamentarians worked in Kiev, Donetsk, Kharkov, Simferopol, Odessa, Lvov, and Uzhgorod.

Our observers did not discover any serious violations capable of influencing the outcome of the elections and about which the Russian and world communities should have been warned. For them it was not such an important task to keep an eye on the ballot boxes. The Russian parliamentarians' aim was to get the feel of the Ukrainian political situation and, based on the experience gained, dealings with voters, and conversations with state and political leaders with diverse views, to help the State Duma establish a line of conduct and recommend a particular political course in Russian-Ukrainian relations.

One of the Russian parliamentarians' main conclusions was that the Ukrainian elections did not take place in conditions of an acute socioeconomic crisis, which is so painfully familiar to us. Accordingly, both the first and second rounds of voting were won by candidates whose platforms were based on severe criticism of the old nomenklatura-bureaucratic regime and on promises to conduct a resolute struggle against social injustice and corruption in power structures in order to improve the people's lives and punish the guilty in the country's present grave situation; on promises to get away from the extremes of the epoch of fighting for sovereignty and absolute independence and to restore and strengthen trade and economic relations with Russia and the CIS as a whole.

A characteristic feature of the elections that were held was that both rounds of voting, like the recent Russian elections, showed the complete groundlessness of apparently irrefutable predictions and easily destroyed the myths being persistently inculcated into people's consciousness.

The main result and the first surprise to lovers of predictions was that the first round of elections was valid everywhere. While the second round provided the necessary number of people's deputies (this is precisely what they are still called in Ukraine). Of the 450 seats in parliament 338 have been filled, which by law enables it to start full-scale work. The 112 vacant seats will be filled after repeat elections, which are due to take place in two months.

Voters turned out and dispelled the myth of the Ukrainian people's absolute passivity. To the surprise of many and even to the confusion of some, three-fourths of the country's citizens expressed their attitude to the candidates. As early as the first round yet another prediction—about the clear domination of voters' centrist sentiments—was dispelled. Centrist reformers, as in Russia recently, definitely did not achieve their expected success. Although Leonid Kuchma, Vladimir Lanovoy, and Sergey Golovatyy, their leaders from the interregional bloc for reforms, won convincingly in the first round, this was exclusively through their very high personal ratings. After all, even Stepan Khmara, the odious national-radical and leader of the Ukrainian Conservative Republican Party (he is being called the Ukrainian Zhirinovskiy), also won easily in the first round. Petr Simonenko and Aleksandr Moroz, leaders of the Communist Party and the Socialist Party, also won outright.

In general, contrary to all forecasts (the analogy with our elections again comes to mind) left-wing forces achieved undoubted success. Moreover, their lead over the other parties is very substantial. Thus, around half of the 338 elected deputies consider themselves to be independent, that is to say nonparty. Of the remainder, the Communists obtained 86 seats and their allies—the Socialist Party and the Peasant Party—another 32 seats. Next comes the "Ukraina" bloc of national-democratic parties, dominated by Rukh, and after that the placemen of ruling structures or the "parties of power," as they are called, and only then the centrists and radical-nationalists. Yet another myth was shattered. Prior to the start of the election race the local press marked down the "government parties" (several of them under various names) as supposed favorites and themselves maintained this myth. But now, having suffered an obvious lack of success, their leaders are stating that it is not a defeat but a retreat to previously prepared positions. Observers believe that this is simply an attempt to "make the best of a bad situation."

At the same time the definite successes of highly extreme forces in the western oblasts are sounding the warning bells. Thus, UNA-UNSD (Ukrainian National Assembly-Ukrainian National Self-Defense) have gotten three of their leaders into parliament. Generally the rivalry among among a multitude of right-wing nationalist organizations and movement was won by the Congress of Ukrainian Nationalists. It obtained a total of 23 seats.

Admittedly it is still premature to make a final count. The percentage of "independent" deputies is too great. It cannot be ruled out that many of them will change their political orientation inside parliament. A more precise disposition of political forces can be determined only some time after the Supreme Council has started its work, when deputies' factions will be formed finally. It should not be forgotten that in the initial stages of the election campaign most candidates called themselves "independent" and it was only later, sensing that "one man does not make an army," that many of them took seats on a party platform of some kind. Not for nothing do most observers claim that, despite the absence of voting according to party lists, what took place in Ukraine was a multiparty election under a majority system. Incidentally, members of 39 registered parties and associations with an extremely diverse spectrum of convictions and platforms started the election marathon.

Still, our observers have no doubt that the vector of public sentiments in Ukraine is obviously moving in a pro-Russian direction. This is not a speculative claim; the fact was confirmed beyond doubt by a Ukrainian national poll. Russia's position must be aimed at strengthening ties with Ukraine, but without harming its national and state dignity, on the basis of mutual respect and advantage.

Chornovil on Creating Legislative Factions

WS1805091594 Kiev HOLOS UKRAYINY in Ukrainian 11 May 94 p 6

[Interview with Rukh Chairman Vyacheslaw Chornovil by Lyudmyla Kokhanets; place and date not given: "We Agree With Bolshevik Ulyanov: There Should Be Less Political Idle Talk"]

[Text] [Kokhanets] Mr. Chornovil, the election results confirmed that only two parties, two political forces, were able to usher into the parliament a number of their representatives, which allows them to form factions on a strict party basis. These are the Communist Party and Rukh.

[Chornovil] So we have. Our faction is currently comprised of 30 people—members and supporters of Rukh. Several other deputies, representatives of parties with opinions close to ours, intend to join us. Other factions, unfortunately, are not being formed on a party basis. "Unfortunately," because this will not allow the parliament to be clearly structured. We should aim at the European model of parliamentarism with its faction discipline and clear division on the authorities and the opposition. Although this will not take place, the first step in this direction has already been taken.

[Kokhanets] I recall that, while discussing the electoral law, the majority of speakers complained: "What parties? People are already allergic to the word 'party'..."

[Chornovil] Yes, the law proved to be completely anti-party, but it was corrected by the voters themselves, because they generally voted for certain political forces, not individuals. It is significant that people want these forces to assume responsibility; they do not want everyone be responsible for themselves. Thus, we have our faction, and we have already held an organizational meeting. According to our statute, the Rukh chairman is the faction head, Rukh Deputy Chairman Oleksandr Lavrynovych is its coordinator, and Rivne People's Deputy Volodymyr Kovtunets is the secretary.

[Kokhanets] Will the program with which your faction is going to the parliament not duplicate the Rukh program?

[Chornovil] What the faction will propose to the parliament is not a party program. However, it is actually a little bit easier for us, because we do not have to think over new things: We have a well developed state-building concept, which was elaborated by a large group of scientists and adopted as early as at the Fourth Rukh Congress. So far, no political force has elaborated such a document.

[Kokhanets] Do you believe that the current alignment of forces in the parliament will ensure its ability to act?

[Chornovil] Those who claim that the new parliament is worse than the previous one do not tell the truth. It is not worse. Its problem is that it is incomplete. The current Supreme Council, first of all, is more structured; second,

it is not dominated by the extreme left-wing forces, about which there was a lot of talk on the eve of the elections. By the way, there are many sober-minded people who are willing to cooperate among leftists. For example, I have heard an opinion among socialists that the parliamentary work should not be politicized from its first days. The Rukh faction advocates exactly the same thing. We agree with Bolshevik Ulyanov that there should be less political idle talk. God forbid that we become stuck in a debate over symbols, anthems, or state languages. This will allow us neither to form a normal government and Supreme Council working bodies, nor to resolve urgent economic problems. I am very afraid of such politicizing. Perhaps we should first convene the leaders of all factions—starting with those ranging from the extreme left to the center-right (since extreme rightists will hardly be able to establish their own faction). We must reach an agreement and prevent debates on certain issues, on which we will inevitably disagree, and we will again irritate the Ukrainian people with our senseless conflicts. I think that we all must agree on vital questions: How to improve the economy, implement market mechanisms, and curb the crime raise and impoverishment of society. Another urgent problem is the financial reform. Mr. Zvyahilskyy [acting prime minister], apparently, has not done his job....

However, I am afraid that the parliament's incompleteness can hamper our resolutions of vital issues. For example, what to do with the elections scheduled for 26 June? A working group, in which I am participating, has recently come forward with amendments to the Constitution, without which the elections cannot be held, since the Electoral Law says one thing, and the Constitution—another. According to the latter, we have no right to hold either the presidential or self-government elections. It must be precisely defined what kind of presidential or local authority there will be, and only then we can go to the polls.

As for the parliament's structure, I think that the center comprising predominantly nonparty people will have an impact on many things. Leftist forces have approximately a third of seats, national-democratic forces—even less. Therefore, while making decisions on a majority of issues, every faction will be trying to win support of the center which has gathered representatives of the party in power, agriculture sector officials, entrepreneurs, and servicemen.

[Kokhanets] Who, do you think, threatens Ukrainian statehood more—extreme leftists or the interregional bloc?

[Chornovil] The interregional bloc, of course. Supporters of Mr. Kuchma advocate things that unequivocally threaten our independence. Fortunately, they won very few votes. I do not know whether the bloc members will try to form a faction; they do not have even 12 deputies: They won some votes in Kharkov Oblast and Dnepr region; in Donbass, they were defeated by the communists. As for the extreme leftists, we suppose that they are not in agreement either. Among them are forces which, according to socialist recipes, want to build a Ukrainian state. We will be looking for a common language with them: We will be trying to convince them, or to make certain compromises. Of course, compromises will be out of the question if we see an open proimperial mood. We expect, however, that there will not be many such deputies in the new parliament.

[Kokhanets] What will be your party position in the presidential elections?

[Chornovil] We will coordinate who will be nominated and registered. It is not so easy to collect 100,000 signatures. Rukh has not officially nominated any candidate. Perhaps we will unofficially support Lanovyy. He really is a serious economist, a man who stands on state-building positions and can strip the proimperially oriented Kuchma of some votes. Yet, the point is not Kuchma himself, but the forces which bet on him, intending to command their nominee if he is elected to presidential office.

[Kokhanets] Thus, we will not see your name among presidential candidates this time. People say that Chornovil-oppositionist can do more than Chornovil-president. What is your opinion about such a "compliment?"

[Chornovil] I am not focused on being an oppositionist. I simply consider these elections immoral. Even the situation surrounding them is somewhat unpleasant. Look, this is our president who states either that he will no longer run for his current office, or that he will. [Former Supreme Council Chairman] Plyushch has also put forward his candidacy, and he is arguing at news conferences that Leonid Makarovych, to put it politely, is not right.... They are simply fighting for the chair, not knowing how will it look, since the president's functions have not been defined, nor has the new constitution been adopted. Where in the world is a president elected first, and then his functions defined? This does not occur. This drive to the chair, this intriguing against one another, this coquetry, all this is very shameful. Most candidates are not any better, either. Do these people really not realize that they are ridiculous in their claims to the presidential office. You know, watching such an atmosphere, I am only glad that I have not joined this game. Of course, if there were a different configuration of forces, a different situation within society, why could not Rukh recommend its own representative? Regarding that "compliment," I believe that I was governing Lvov Oblast rather well, when I was openly not in the opposition. The general situation was simply unfavorable for my work. The economic collapse began at that time. We were trying to prevent it, as much as we could. We achieved a lot, but....

I would like to emphasize again that opposition is not the goal for me or our faction. If a political force only aims at being in the opposition, it is doomed. Pure opposition

does not exist in politics. Thus, the opinion that "Chornovil is an eternal oppositionist" is rather false. The current situation simply gives us no chance to win more than we could win.

[Kokhanets] How, in your opinion, can Rukh's victory and the defeat of the Ukrainian Republican Party [URP] be explained?

[Chornovil] I think that the URP leaders' policy is too temporizing, not only toward Kravchuk, but also his nomenklatura. They recklessly believed that the old team would honestly build a new state. Recklessness does not work out in politics... And Rukh... Rukh was successful, because it understands this.

We expect that our faction will become more solid after the run-off elections, since in many constituencies where the elections were disrupted we had a very good chance; our representatives made it to the second round not only in western Ukraine, but also in eastern oblasts (in Kiev, for example,—14 "pure" Rukh members).

Our faction is ready for the parliamentary work. It will cooperate with all who want to make our Ukraine an independent and developed state.

Europarliament Ecologists Visit Defense Ministry

MK1805112994 Moscow KRASNAYA ZVEZDA in Russian 18 May 94 p 2

[Report by Vladimir Matyash under the "In Brief" rubric: "Common Language is One of Ecology"]

[Text] Moscow—A meeting took place in the Russian Federation Defense Ministry between Major General Sergey Grigorov, chief of the Russian Federation Defense Ministry, ecology and special protection funds directorate, and European Parliament deputies Christian Rousing and Freddy Blak. The visitors from Denmark saw for themselves how the storing and utilization of nuclear weapons and propulsion plants in the Army and the Navy is done by experienced specialists with the aid of the most up-to-date technical monitoring equipment. However, due to considerable cuts in nuclear arms and redeployment of missile units there is a lack of ecology specialists. The Europarliament deputies voiced readiness for cooperation in jointly training them.

National Affairs

Kravchuk Warns Crimean Parliament on Constitution

Warns of 'Unpredictable Consequences'

WS1905144694 Kiev Ukrayinske Radio First Program Network in Ukrainian 1400 GMT 19 May 94

[Text] Ukrainian President Leonid Kravchuk has issued an appeal to the Crimean Supreme Soviet. I have learned, the appeal states, that reinstatement of several provisions of the Crimean Constitution, in the version adopted on 6 May 1992, is expected to be examined at a plenary session of the Crimean Supreme Soviet. In particular, they concern the incorporation of the Crimean Republic into Ukraine based on treaties and agreements, the right of Crimean residents to dual citizenship, creation of individual military formations, etc. Resolution of these issues in compliance with the Ukrainian Constitution and Ukrainian legislation on sharing powers between government institutions in Ukraine and the Crimean Republic, adopted by the Crimean Supreme Soviet, lies exclusively with the Ukrainian Supreme Council. As you understand, in question here is a revision of fundamental principles of relations between Ukraine and one of its integral parts, the Crimean Republic. Violation of those principles may lead to conflicts and other unpredictable consequences.

By adopting such decisions, Leonid Kravchuk's appeal to the Crimean Supreme Soviet emphasized, you will practically be making moves aimed at violating Ukraine's territorial integrity, which runs counter to generally accepted international standards. The international community closely watches developments in the Crimea and hopes that we will be wise enough to keep the situation within the limits of the currently valid Ukrainian and Crimean Constitutions.

I hope that while performing important state work, you will display high political maturity, balanced approaches, common sense, wisdom, and an understanding of the tremendous responsibility you have assumed. I suggest that before examining those issues at the session, you send a plenipotentiary delegation of Crimean people's deputies to Kiev for handling issues that will be examined along with the Ukrainian Supreme Council, the administration of the Ukrainian president, and the Ukrainian Cabinet of Ministers, the appeal from Leonid Kravchuk noted.

Text of Kravchuk Statement on Crimea

LD1805142794 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 18 May 94

[Text] The press service of the Ukrainian president and Cabinet of Ministers has issued a statement on the situation in Crimea. Here is the text:

The latest events in Crimea, the statements and practical steps by officials of the Republic of Crimea, cause concern in Ukraine and in international circles because of the possibility of a sharp exacerbation of the sociopolitical situation on the peninsula, the creation in the center of Europe of a hotbed of danger, and instability.

The new leadership of the autonomy has gone from a declaration of intent to concrete actions aimed at changing the legal status of the autonomous republic of Crimea as a constituent part of Ukraine. In particular, it has become known that a regular meeting of the Crimean Supreme Council plans to discuss the issue on returning to individual provisions of the 6 May 1992 Constitution

of the Republic of Crimea, which contravenes the Constitution of Ukraine and which were changed by the Supreme Council of Crimea itself in September 1992. At the same time there is an attempt to carry out the current constitution of the Republic of Crimea and to create the basis for Crimea's secession from Ukraine which would be a blatant violation of Ukraine's territorial integrity.

Attempts by the leadership of the Republic of Crimea to legally introduce its own citizenship, to create its own military formations, and to change the status of Sevastopol cause concern. All of this contravenes the Constitution and the laws of Ukraine and the generally recognized principles of international law. The ambitious attempts by individual Crimean politicians also go against the goodwill of Ukraine to contribute to Crimea's all-round social, economic, and cultural development. The Supreme Council of Ukraine itself gave the Crimean oblast the status of an autonomous republic within the composition of Ukraine. It adopted a law of Ukraine on the delimitation of powers between the bodies of power of Ukraine and the Republic of Crimea. The president of Ukraine adopted a law on an open economy regime on the territory of the Republic of Crimea. The Ukrainian Cabinet of Ministers regulated, together with the Crimean Government, issues of ownership, formulation of the budget, and carried out a number of measures to stabilize the economy in the Republic of Crimea. Ukraine is genuinely carrying out a policy of renewing historical justice with regard to the deported peoples and is contributing to the return of the Crimean Tatar people to their historical homeland.

Crimea is and will remain a part of Ukraine, says the Ukranian president's statement. However, instead of fully exploiting the given opportunities to pull Crimea's economy out of the crisis situation, certain political circles in the autonomous republic have recently adopted a different course. There is open speculation on the economic difficulties that Ukraine as well as other CIS countries are suffering today, even though in such difficult conditions Ukraine has, to a considerable extent, found the possibility to cover Crimea's deficit in financial and material resources. Despite these objective realities, anti-Ukrainian and antistate feelings are constantly being stirred up among the population of Crimea. Facts prove that dangerous processes in the Republic of Crimea do not have an exclusively internal Crimean origin but to a considerable extent are stimulated by individual political forces in Russia, whose actions have recently taken on signs of open interference in the internal affairs of Ukraine.

In accordance with the Constitution and current Ukrainian legislation, the Republic of Crimea is an autonomous and constituent part of Ukraine which has wide powers in the economic sphere, makes use of the natural wealth, ecology, culture, and organizes community life. The Republic of Crimea, as an autonomous and constituent part of Ukraine, is not a bearer of state sovereignty and cannot enter into political relations with foreign states. The validity of the Constitution of Ukraine extends over the whole territory of Ukraine, including Crimea. The territory of Ukraine is single, indivisible, inviolable, and complete. Crimea cannot have its own citizenship which is separate from Ukraine. Citizens of the Republic of Crimea are citizens of Ukraine. The autonomy may not have its own armed forces.

The press service of the president and the Cabinet of Ministers of Ukraine is authorized to state that all necessary measures will be adopted by the Ukrainian president and the Supreme Council of Ukraine to stabilize the political situation in Crimea and to guarantee Ukraine's territorial integrity. The president of Ukraine will ensure absolute adherence to the constitution and laws of Ukraine on the entire territory of the state, including Crimea as a constituent part of Ukraine.

The press service of the Ukrainian president and the Cabinet of Ministers of Ukraine notes that some political and public figures of Russia are violating the rules and norms of behavior on the territory of another state. In connection with this, in the future, any attempts to interfere in the internal affairs of Ukraine will be resolutely stopped in accordance with Ukraine's legislation.

Crimean Interior Minister Reports Coup Attempt by Kiev

LD1905124294 Moscow INTERFAX in English 1156 GMT 19 May 94

[Text] Acting Internal Minister of the Crimea, Valeriy Kuznetsov, said in the morning of May 19 in an address to the session of the Crimean parliament in Simferopol that a coup had been attempted in Crimea last night.

He said that Deputy Ukrainian Internal Minister Valentin Nedrihaylo had arrived in Simferopol at night. He was accompanied by a group of 15 special policemen. Nedrigailo read out to the personnel of the Crimean Internal Affairs Ministry the decree issued by Ukrainian President on May 18, 1994 to reorganize the Ministry and create on its basis a department of the internal affairs of the Crimea which would be subordinate to the Ukrainian Interior Ministry.

In connection with this Valeriy Kuznetsov demanded from parliament that deputies immediately approve him as the Crimean Minister.

An interval was announced at the parliament session. Deputies are waiting for the arrival of the parliament's defense commission which is to clarify these events.

Kuznetsov was appointed acting Interior Minister of the Crimea a month ago by the decree of president Yuriy Meshkov.

Attempt To Seize Interior Ministry Detailed

LD1905134094 Kiev UNIAN in Ukrainian 1245 GMT 19 May 94

[Text] Simferopol [no date as received]—During the discussion of the agenda at the Crimean Supreme Council's session today, Yuriy Meshkov, the republic's president, proposed that the composition of the government should be approved immediately. He then interrupted his speech to give the floor to Crimea's acting internal affairs minister, General Valeriy Kuznetsov. The latter announced, in particular, that "a plane with Ukrainian First Deputy Internal Affairs Minister Valentin Nedryhaylo and special forces [spetsnaz] on board secretly arrived in Simferopol in the early hours [on 19 May]. A surprise attempt to seize the Crimean Internal Affairs Ministry building was made right away. That attempt was barred by resolute actions by the personnel of the Crimean militia. A military coup is under way." In Valeriy Kuznetsov's words, Valentin Nedryhaylo tried to read to the militia personnel a Ukrainian presidential directive dismissing the leadership of the Crimean Internal Affairs Ministry, appointing "Kiev governors" and subordinating the Crimean Internal Affairs Ministry to the Ukrainian president, bypassing the Crimean Supreme Council and president.

It was proposed at the session that Valeriy Kuznetsov's candidacy for the post of Crimean internal affairs minister should be approved urgently and even without any discussion, but because of the [Crimean Tartar People] Kurultay group's disagreement this proposal was not passed. A commission was set up in order to verify Valeriy Kuznetsov's report. The Crimean Supreme Council's commission for military issues and the Republic of Crimea's security, and the republic's procurator are members of the commission. The deputies discussed the candidacy of Valeriy Kuznetsov for the post of Crimean internal affairs minister. Voting on his candidacy was postponed until the commission completes its work.

The president of the Crimean Republic proposed that the session should consider and approve a resolution in reaction to the Ukrainian president's decree "On converting the Crimean Republic's Ministry of Internal Affairs to the Ukrainian Ministry of Internal Affairs main directorate for internal affairs in Crimea", as well as approve the composition of a coordinating commission formed by the government to go to Kiev for negotiations on cooperation and delimitation of powers in disputed policy areas. Yuriy Meshkov also proposed the immediate approval of two more appointments, the heads of the Crimean security service and the Justice Ministry. According to the Crimean president, while the Ukrainian leadership continues its attempts to destabilize the situation in Crimea to help Leonid Kravchuk hold on to the presidential seat, there is no other option than to approve the ministerial appointments to preserve stability on the peninsula.

Valeriy Kartavtsev, head of the Ukrainian Security Council Secretariat, told UNIAN that a meeting of the Council on 18 May discussed the issue of Ukraine's territorial integrity following the latest developments in Crimea. In his opinion, the Ukrainian president and the newly elected Supreme Council can be expected to take action if the violation of Ukraine's Constitution continues. Militia Colonel-General Valentin Nedryhaylo, first deputy minister of internal affairs, flew to Crimea after the Security Council meeting.

According to the Ukrainian Ministry of Internal Affairs' main center for public links, on 19 May at the Crimean Ministry of Internal Affairs, the results were summed up on the granting of practical assistance by the bodies and subunits of Crimea's internal affairs to officials from Ukraine's Ministry of Internal Affairs. Militia Col-Gen Valentin Nedryhaylo, first deputy minister of Ukraine's internal affairs, took part in the summing up. He read a decree of the Ukrainian president to the leadership of Crimea's Ministry of Internal Affairs, "On reorganizing the ministry of Internal Affairs of the Republic of Crimea into a chief directorate of internal affairs of Crimea of Ukraine's Ministry of Internal Affairs and on subordinating this directorate directly to Ukraine's Ministry of Internal Affairs."

In accordance with this decree, administrative and management buildings, armaments, means of transportation, and other assets are transferred for use by the chief directorate of internal affairs of Crimea. The additional post of deputy minister of Ukraine's internal affairs—head of the main directorate of internal affairs of Crimea of Ukraine's Ministry of Internal Affairs, is being introduced to the staff of the central apparatus of Ukraine's Ministry of Internal Affairs. Militia Colonel V. Chernyshov [name as received] was appointed to this post.

The main center for public links of the Ministry of Internal Affairs of Ukraine also announced that a statement from Valeriy Kuznetsov, acting internal affairs minister of the Republic of Crimea, about an attempt by spetsnaz to seize the Crimean Ministry of Internal Affairs building was "another attempt to deceive the public of Crimea and Ukraine."

Ukraine Military Reinforcements Sent to Crimea

LD1905083094 Moscow ITAR-TASS in English 0806 GMT 19 May 94

[Text] Moscow May 19 TASS—A contingent of Ukrainian home guards and special forces numbering 1,000 was dispatched to the Crimea over the past 24 hours, ITAR-TASS learnt on Thursday from sources close to the headquarters of the Black Sea Fleet.

According to the same sources, over 300 armed Ukrainian home guards as well as a group of saboteur swimmers from a unit stationed on Pervomaisky Island were airlifted via the Belbek military airfield situated close to Sevastopol, the main base of the Black Sea Fleet.

The contingent is mostly massed in the area of Sevastopol as well as at the airfields in Khersones, Belbek, Yukharina Balka and in the village of Tylovo.

Sources close to the Black Sea Fleet also told ITAR-TASS that a group of commanding officers from the Ukrainian security service led by first deputy head of the service arrived in Sevastopol.

Further on Ukraine Troop Concentration

LD1905141694 Moscow ITAR-TASS World Service in Russian 1354 GMT 19 May 94

[By ITAR-TASS correspondent]

[Text] Moscow, 19 May—New information about a concentration of Ukrainian troops on the Crimean peninsula reached ITAR-TASS this afternoon.

The agency has learned from sources at the headquarters of the Black Sea Fleet that special-purpose units which may be used to seize Black Sea Fleet units deployed in the port of Izmail are being concentrated around the town of Izmail.

According to the same reports, a Ukrainian armed forces military field hospital is being set up in the village of Chernobayevka in Kherson Oblast. Those working there, the same sources reported, apparently do not conceal from the local people that they are preparing to receive wounded people from Crimea in the near future.

Meshkov Reviews First 100 Days as Crimean President

LD1805124694 Kiev UNIAN in Ukrainian 2000 GMT 17 May 94

[Text] Simferopol—On 17 May, Crimean President Yuriy Meshkov held a news conference on the completion of 100 days of his presidency. He believes that, in his words, his least successful day was when he was "stabbed in the back," i.e. when the Ukrainian president appointed his representative to Crimea. If Leonid Kravchuk does listen to opposition and introduce presidential rule after all, in Yuriy Meshkov's view, he will violate the constitution and laws of Ukraine, "Which violations have become a tradition for the current leadership of Ukraine."

Relations between official Kiev and official Simferopol, the Crimean president said, must be different from what they have been up until recently. "Yukhym Zvyahilskyy's visit has changed the climate of these mutual relations and confirmed that the influence of the forces of reason in Ukraine is quite strong, and it is they who will determine the state's domestic and foreign policy."

Meshkov: Ukraine-Crimean Ties on 'Acceptable Course'

WS1805113294 Kiev KIYEVSKIYE VEDOMOSTI in Russian 14 May 94 p 2

[Report by Larisa Troyan: "Yuriy Meshkov on the Phone: 'I Did Not Need To Be Too Rigid'"]

[Text] The somewhat mysterious and "incomplete" character of the 7 May closed-door meeting in the Crimea between Ukraine's acting Prime Minister Yu. Zvyahilskyy on one side and Crimean President Yu. Meshkov, Deputy Prime Minister Ye. Saburov, and V. Minin, minister-chief of the State Affairs Service on the other, made those reporters who attended them, shrug their shoulders helplessly. The latter failed to learn anything concrete, even at the news conference held to review the results of the talks.

Given that a KIYEVSKIYE VEDOMOSTI correspondent was not on Yu. Zvyahilskyy's team, we had no other choice than to place a telephone call directly to Yu. Meshkov. It was not easy to get through. Meshkov spoke leniently and politely, but was as taciturn as ever. He confirmed that in the spotlight had been the issues of Crimea's economic independence, adding: "We tried to remove the air of mutual distrust, although it was not my or Yukhym Leonidovych's fault that such distrust existed." The negotiations were held in a friendly atmosphere and, as was underlined by Meshkov, Zvyahilskyy had demonstrated a desire to understand the Crimean side's stance. Meshkov added: "Under those circumstances, as you understand, I did not find it necessary to be excessively firm." Not without content he mentioned that relations between Kiev and Crimea, or rather the Ukrainian and Crimean Governments, are entering the sphere of normality and "taking an acceptable course."

I asked from what angle President Meshkov's notorious decrees had been discussed—the ones that practically declared Crimea a free economic zone. The Crimean president assured me that Zvyahilskyy had not dictated anything or exerted any kind of pressure. It should rather be said that there had been a quite reasonable desire to coordinate ways to resolve common problems.

Summing up what was said by President Meshkov, the meeting gave the two sides satisfaction and hope for further understanding.

What has changed in Crimea since the adoption of the economic decrees? According to Meshkov, business circles of Ukraine, especially its eastern regions, as well as other former USSR republics, and foreign countries have dramatically increased their interest in Crimea. There have been attractive proposals on the part of large firms from Japan, Korea, the United States, Austria, Germany, France, and other countries.

Why has the process of privatizing land been discontinued in Crimea? Meshkov answered that land in Crimea is much more valuable than in other regions:

"One cannot treat a fine-wooled lamb and a lousy sheep in the same way. Once land prices are brought in line with world standards, we will carry out privatization." This sounds logical!

Kravchuk Warns Ukraine Parliament of 'Confrontation'

PM1805153594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 May 94 p 2

[Olga Musafirova report under the rubric "Parliamentary High Emotion": "Red Renaissance Advances in Free Ukraine"]

[Text] The opening of the new parliamentary session was honored by the presence of the president. Dressed in a white suit and looking very anxious, he did not congratulate the newly elected deputies on the start of their work—a rare, even unique case in world practice of breaching the civilities of protocol.

Instead, President Kravchuk conveyed a special message to the Supreme Council.

The president demanded that they deal with him precisely in accordance with the law. Otherwise—and Leonid Makarovich remains opposed to an early presidential election in June despite the lists of signatures of 100,000 supporters from various oblasts of Ukraine essential for his participation in the procedure—as the message said, there could simply be "confrontation, with serious consequences putting peace in Ukraine at risk." Is it necessary to specify that the prepared documents demanded by Kravchuk—a law on the status of the president and a new constitution—do dot actually exist?

This kind of crisis has a long history and indeed was one of the reasons for the premature relinquishment of deputies' seats. The kolkhoz chairmen, long-standing dissidents, party secretaries, and poets who declared Ukraine's independence on 1 December 1990 were able to do a lot, but they failed in the fundamental job of creating a rational legislative basis for the sovereign state. They hoped to be replaced by the professionals of the "state renaissance" stage, whose advent the president referred to several times—liberal, market-oriented lawyers and jurists would arrive and parliament would at last be abuzz with the sound of intellectual labor. However, the election law, which again assigned the major role in nominating candidates to labor collectives rather than parties, led to a quite different work force in the Supreme Council—a big contingent of pro-communist engineers and technical personnel.

It was no wonder that Aleksandr Moroz, chairman of the Socialist Party of Ukraine Political Council (he is down to become speaker, but Moroz himself hopes to become president in June), should make clear promises at a May Day rally, as scarlet banners flapped in the breeze: "We must change the authorities in the state! We must adopt a law to ensure that the president is elected in the Supreme Council rather than by direct ballot!" Party discipline is a daunting thing, especially when one in five of the people's elected representatives is a Communist.

Deputies were given a 1 July deadline to clarify their working relationship with the Supreme Council (the majority want to retain their posts and salaries at local level). If by 1 July the country sees the advent of socialism at working people' request, such job-sharing will become feasible.

But for the time being everything is taking its own course. President Kravchuk has flown to Donetsk in the hope of winning round the miners. They once insisted on an early presidential election and consequently could do the same again. Many ministers, including the acting premier, have moved from the government benches in parliament to sit in the body of the hall as ordinary deputies.

In a country where laws have an arbitrary interpretation, only one, unwritten, law is operating smoothly: The ladies and gentlemen are unfailingly turning themselves into comrades...

Moroz Elected Supreme Council Chairman

LD1805191394 Kiev Radio Ukraine World Service in Ukrainian 1532 GMT 18 May 94

[From the afternoon session of the Ukranian Supreme Council session, chaired by Interim Presidium Chairman Petro Symoneko; voting for Supreme Council Chairman led by Mykhaylo Syrota, chairman of the Counting Commission—live]

[Text] [Syrota] Esteemed members of the Presidium, esteemed people's deputies. Let me read out the protocol of the Supreme Council counting commission: Protocol No. 6. The sitting of the Supreme Council commission of 18 May 1994. Present are:

Mykhaylo Syrota, chairman of the Counting Commission;

Mykhaylo Pavlovskyy, deputy chairman of the Counting Commission;

Volodymyr Stretovych, secretary of the Counting Commission; and members of the counting commission Oleksandr Bobrynyov, Andriy Mostyskyy, Serhiy Chukmasov, Pavlo Kuznetsov, Hryhoriy Sydorenko, Mykhaylo Dancha, Viktor Bryt, Petro Osadchuk, Mykhaylo Linchak, Anatoliy Shalanskyy, Anatoliy Levchenko, Ivan Bilas, Yuriy Zaporozhets, Vyacheslav Sokerchak, Volodymyr Kapustyan, Bohdan Yaroshynskyy, Yuriy Bublyk, Mykhaylo Ratushnyy, Oleksiy Berezhnyy, Oleksandr Yelyashkevych, Yuriy Buzduhan, Symonenko, and Mykola Horbatyuk.

Heard: on the results of the secret ballot for the election of the chairman of the Supreme Council of Ukraine.

People's deputies of Ukraine Vasyl Vasylyovych Durdynets, Oleksandr Mykolayovych Karpov, Oleksandr

Oleksandrovych Moroz, and Yuriy Kazymyrovych Tyma were entered in the secret ballot paper for the election of the chairman of the Supreme Council of Ukraine.

Proceeding from the results of the secret ballot the Counting Commission has determined the following: the overall number of people's deputies of Ukraine elected by the time of holding the session is 338. The number of people's deputies of Ukraine whose plenary powers have been recognized by the Supreme Council of Ukraine is 336. The number of the people's deputies of Ukraine who received the secret ballot papers is 326. The number of the people's deputies of Ukraine who took part in the ballot is 322.

The results of the ballot are as follows:

Vasyl Vasyloyvych Durdynets: 103 votes in favor of the candidate and 219 votes against.

Oleksandr Mykolayovych Karpov: 14 votes in favor of the candidate and 308 votes against.

Oleksandr Oleksandrovych Moroz: 171 votes in favor of the candidate and 151 votes against.

Yuriy Kazymyrovych Tyma: nine votes in favor of the candidate and 313 votes against.

The number of ballot papers recognized as invalid: none.

In compliance with Article 97 of the Constitution of Ukraine, [word indistinct] 22/6 of the temporary timetable of the sittings of the Supreme Council of Ukraine, the Counting Commission has decided to consider Oleksandr Oleksandrovych Moroz elected chairman of the Supreme Council of Ukraine.

Chairman of the counting commission: Syrota.

Deputy chairman of the counting commission: Pavlovskyy.

Secretary of the counting commission: Stretovych.

The protocol was not signed by one member of the Counting Commission, Ratushnyy—I do not remember his initials. He expressed his personal opinion which I will read out, if you do not mind. This is the personal opinion of member of the Counting Commission, deputy Mykhaylo Ratushnyy. Due to the fact that I was forwarding a proposal that the chairman of the Supreme Council of Ukraine should be elected by two thirds of votes and this proposal was turned down, I refuse to sign the protocol. This does not mean that I consider that the Counting Commission made any violations during the counting of votes.

Such is the protocol.

[Symonenko] Esteemed people's deputies. We must approve the protocol of the counting commission for the election of the Supreme Council chairman. I am putting it to the vote: Those who are in favor of approving the protocol of the counting commission for the election of the Supreme Council chairman, please vote.

The decision is made.

Esteemed people's deputies. We must pass a resolution on the election of the Supreme Council chairman. If you let me, I will offer it to you. Any objections?

Resolution by the Supreme Council of Ukraine on the chairman of the Supreme Council of Ukraine—the Supreme Council of Ukraine resolves to elect people's deputy of Ukraine Oleksandr Oleksandrovych Moroz chairman of the Supreme Council of Ukraine.

I am putting this to the vote. Who is in favor of adopting this resolution?

The decision is made.

Moroz Addresses Deputies

LD1805213394 Kiev Radio Ukraine World Service in Ukrainian 1543 GMT 18 May 94

[Speech by Oleksandr Moroz, newly elected chairman of the Supreme Council, in Kiev—live]

[Text] Esteemed people's deputies. Dear compatriots. Guests present in this hall.

Frankly speaking, I was not preparing any throne speech for today. What I want is just to share my thoughts and contemplations following this thing that has just occurred, after you have entrusted me to lead the top power body in Ukraine, the top legislative body.

The feelings that I now am filled with, if formulated in one word, can be expressed by the word responsibility—a burden of huge responsibility for what I am supposed to do in order to make the work of the Supreme Council productive and to the benefit the working people, the overwhelming majority of the population of Ukraine. At the same time I understand that this is your responsibility as well, because having cast your votes in my favor you put your trust not only in me, but you also put your trust in the fact that your hopes would come true, as far as the organization of work is concerned, as far as defending those principles which let you receive the people's deputy mandates are concerned.

Nevertheless, I hope that we shall manage to demonstrate in the Supreme Council building a possibility of society's consolidation and accord for the sake of overcoming that extremely difficult situation our state finds itself in today. Being aware of the fact that different methods and different arguments are used during the debate and having taken part in these debates for four years now, I understand that not all the arguments could be agreed to. And I saw where they were substantiated and where they were not quite substantiated.

For example, I have long shown sincere respect for my colleague Mykhaylo Kosiv. I know that he referred to

Taras Hryhorovych [Shevchenko—19th century Ukrainian poet] because, as a matter of fact, he had nothing else to refer to, because I know that he loves Shevchenko, but there is no monopoly for this love. I believe that everyone has the right to this love. I also love Shevchenko, the same way as he does, and I know that nonetheless, I quoted literally what Taras Hryhorovych was saying. If anyone has doubts, open Holodnyy Yar [Cold Ravine] in the Kobzar. If necessary, I can further quote what is written there but it is not this that matters.

Nevertheless, I want us to step over something which can disunite us. Because we are different, this is true. We are different people of different convictions. The only thing which unites us is Ukraine.

Before the voting and earlier, and afterwards as well, people were coming up to me and asking: What kind of state will it be? What shall we build? I referred those who never read, for example, some political declarations by different political forces, including the one which supported me during the election The first thesis of principle written there is Ukraine's independence and the building of the Ukrainian state. I understand that the building of the Ukrainian state should not apply pressure on the needs and interests of either a separate individual or a working collective. People should feel free in a free state. This should be backed up by both a strong legal basis and an economic basis; both social and cultural issues should be solved. All this can be done if we show in real terms that we can work together, that there is unity in our lofty collective. And I hope that we shall come to agreement despite the contradictions which do exist, which is only natural. Because such is society and this is natural for any society.

I believe that without wasting much time on the formation of the Supreme Council structures, we must immediately get down to the formation of the government. And I would like to share my thoughts with you in this connection.

We should not wait for the re-election of the president or even the entire procedure. People are waiting for specific actions today. And I am convinced that if we fail to find a candidate for premier who would be supported by the Supreme Council, I am convinced that the Supreme Council will support one in several months time, when the election takes place, if it does. Because, true, the executive structure should be formed today to be at the top of the entire executive branch, because there is no other way out today.

Besides, we should coordinate certain norms of the already existing law and work out new ones so that we could link all the executive power in the state, so that both at the village council and at the Supreme Council we could feel that a single mechanism is working and that it is working for the lofty goal of building a (?united) state capable of defending itself and its interests in the world community.

And undoubtedly when I am speaking about consolidation of the Supreme Council deputies I understand that there should be consolidation of the top power structures in the state as well. There can be different approaches, but different approaches have value when they are truly reasonable and when they lead to consolidating society and achieving those interests which will today satisfy the needs of a specific individual—a citizen of Ukraine—in real terms. And in connection with this, it seems to me that there is a possibility today to bring together the people in the authority structures—in the president's team, in the government which we shall form, and in the Supreme Council—and, despite everything, to work in one direction, so that there would be no contradictions which do not benefit society and the state whatsoever.

I believe that even yesterday's speeches by the contenders and their discussion testify to the fact that our Supreme Council has sufficient potential. We shall increase it later on, when those deputies which the Supreme Council is evidently lacking—and we feel this—are elected at by-elections. We do need a stable Supreme Council which would conduct its course regardless of the upheavals which may occur in society. And I believe that we can work out programs toward that end which would ensure Ukraine's breakthrough in the implementation of those priorities which we feel we have today. Yesterday and today they were correct to mention these priorities as far as the economy is concerned—the development of the agroindustrial complex and the solution to the power engineering problems.

But above all—I again refer to this issue—probably the very sense of the work by the Supreme Council chairman is, as I see it, first and foremost, accord, consolidation, patience, tolerance, and the belief that we shall build a better life. But we shall build it only if all of us together, everywhere and everyone, no matter where our country's citizen works— either as an industrial or agricultural worker, a farmer, or a deputy to the Supreme Council—it is necessary for us to work for one goal. And then, I think, all that we have been dreaming about during the election campaign and, probably, in the last days, will come true. I wish this to happen and believe me, every constructive opinion, every reasonable opinion which sounds in this hall will go through my conscience, through my heart, and I am convinced that this will promote consolidation and the constructive nature of our work, of our responsible activity.

I am very much grateful to all of you. And, no matter what is the course of events, later on I will always remember that these people in this hall entrusted me with huge responsibility and pinned their hopes on me, the hopes of the Ukrainian people. Thank you.

Commission Approves 5 More Presidential Candidates

WS1905084794 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 19 May 94

[Report by Yuriy Horban]

[Excerpts] The Central Electoral Commission yesterday continued its verification of the results of the signature campaign in support of presidential candidates, and it finally began the registration process. The two candidates registered on the previous day—[President] Leonid Kravchuk and [former Supreme Council Chairman] Ivan Plyushch, whom I do not have to introduce—were joined by another five people. These are People's Deputy Valeriy Babych, president of the Ukrainian Financial Group; People's Deputy Leonid Kuchma, president of the Ukrainian Union of Entrepreneurs and Industrialists; newly elected Supreme Council Chairman Oleksandr Moroz, chairman of the Socialist Party of Ukraine; People's Deputy Volodymyr Lanovyy, president of the Market Reforms Center; and Ukrainian Education Minister Petro Talanchuk. All these candidacies have been approved. [passage omitted]

Finally, the Central Electoral Commission confirmed the fact and date for holding the presidential elections. The registration of candidates for the office of Ukrainian president was concluded.

Seven Candidates To Run for President

LD1905082794 Kiev UNIAR in Ukrainian 2150 GMT 18 May 94

[Text] Kiev, 18 May—The Central Electoral Commission has completed the registration of presidential candidates. Registration certificates were issued to five more contenders: Valeriy Babych, Leonid Kuchma, Volodymyr Lanovyy, Oleksandr Moroz, and Petro Talanchuk. The commission noted that the contenders complied with all the requirements of Article 28 of the electoral law and thus may begin to campaign.

The Central Electoral Commission rejected the applications of two contenders who failed to raise the required number of signatures, Ivan Valenya and Mykola Rud. The Central Electoral Commission registered Ivan Plyushch and Leonid Kravchuk earlier.

Kuchma Denies Plans To Dissolve Parliament if Elected

LD1805220694 Moscow ITAR-TASS World Service in Russian 1546 GMT 18 May 94

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev, 18 May—"Nothing but rubbish—that's how one has to describe reports in some of the media that I would dissolve the present parliament if I became president," said former Prime Minister Leonid Kuchma, candidate for the post of Ukrainian president, in an ITAR-TASS interview today. "This is nothing more than a pre-election political game," he stressed.

But the essence of this "game" is as follows. Parliament did not recognize the powers of people's deputy of Vladimir Grinev, co-chairman of the interregional reforms bloc. Straightaway some of the media reported that the former deputy chairman of the Supreme Soviet, entering into an alliance with Leonid Kuchma, had allegedly stated: "If Leonid Kuchma is elected president, he will dissolve this parliament."

"The Supreme Soviet doesn't have to be dissolved, but re-elected. Otherwise we will not be able to adopt a new constitution and solve many other vitally important problems," the presidential candidate stressed.

Black Sea Fleet Schedules 'Comprehensive' Exercise

LD1905035794 Kiev UNIAR in Ukrainian 2150 GMT 18 May 94

[Text] Sevastopol, 18 May—A planned exercise will continue at the Black Sea Fleet from 17-22 May. More than 20 combat ships, support ships, submarines, airplanes and helicopters from various bases will be involved in the exercise. This concluding exercise will be comprehensive in nature, according to Sergey Dolzhykova, a spokesman for the Black Sea Fleet press center.

President Addresses Donbass Directors

LD1705123194 Kiev UNIAN in Ukrainian 0930 GMT 17 May 94

[Text] Donetsk oblast [no date as received]—A regular meeting of directors of Ukraine's metallurgical, coking by-product, and coal enterprises took place in Yenakiyevo yesterday, attended by Ukraine's President Leonid Kravchuk, Finance Minister Hryhoriy Pyatachenko, National Bank Chairman Viktor Yushchenko, and Mykola Surhay, chairman of the state committee for the coal industry. Participants in the meeting discussed the main problems which caused the basic sectors to end up on the verge of stoppage or bankruptcy. Speakers opined that crediting enterprises without indexing circulating assets has not achieved anything and removed social tension only in the period of the election campaign.

The directors of enterprises appealed to the government and president to place the payments made on the basis of special-purpose credits, issued in February, March, and April, beyond the bounds of 1994, and to adopt a decision to turn them into interest-free payments. Their argument was the "entirely interlinked nonpayments between enterprises", the nonpayment of wages for February, March, and April at mining enterprises, and so on. "It is precisely nonpayments which oblige one to take credits, but as a result of inflation the interest to be paid becomes several times higher than the total credit, which we were obliged to take because of the nonpayments," said Valentyn Illyushenko, general director of "Donetskvuhillya".

Participants in the meeting sharply disputed information from Mykola Surhay, chairman of Ukraine's State Committee for the Coal Industry, that the plan for deliveries of coal to the metallurgists has been almost fulfilled (by 93 percent), and that "Ukraine would have enough of its

own coal, and that it would be shameful to buy it from Poland." Participants observed that the plan of deliveries has been considerably understated, and that there will only be sufficient coal extracted in the Donbass for energy but not for coke and metallurgical production.

National Bank Chairman Viktor Yushchenko, replying to the demands of enterprise directors to liberalize the currency market as soon as possible, maintained that the National Bank's point of view is the same as theirs.

In his speech, which lasted almost one and a half hours, Ukraine's President Leonid Kravchuk maintained that he has a program of economic reforms "in all aspects", and that "the time has come when one can begin a new radical stage in the economy." In the president's opinion, two lines of approach are noticeable. The first is the regulation of mutual settlements. According to him, restraining the fixed exchange rate is explained by misgivings about a possible social explosion as a result of price increases.

Maintaining that he has an appropriate decree, which envisions a floating currency exchange rate and the free sale of currency by enterprises (which was also proposed in the draft decree proposed by the organizers of the meeting), Leonid Kravchuk expressed himself in favor of "currency regulation by the practice of: increasing the exchange rate of the dollar by 1,000 karbovantsi every five days." "If we do not have any sharp changes in pricing, a final decision will be made without fail," the president said.

Leonid Kravchuk said the next step is to decrease the quantity of goods subject to licenses and quotas.

Speaking about regional policy, the president expressed himself in favor of the broadest regional independence. According to him, however, in order to implement the decree on the legal and economic experiment on four oblasts it is necessary for the Supreme Council to make approximately 20 amendments to the legislation. Speaking about the Donbass, Leonid Kravchuk expressed his conviction that "it will survive in market conditions only in Ukraine, because coal is a lot cheaper in Russia and the stores are swamped with it."

Leonid Kravchuk dwelled in detail on his stand regarding the needlessness of holding presidential elections on 26 June. His arguments were supported by all the participants in the meeting. A consequence of the discussion was the appeal to Ukraine's Supreme Council on behalf of the employees of the metallurgical, coal, and coke by-product industries on the need to postpone these elections. The decision was not adopted by voting, but no one expressed any objections.

The proposals and draft decree on overcoming the economy crisis, which were proposed to the president and government representatives at the meeting (UNIAN reported them in its first bulletin on 16 May) did not on the whole evoke any objections. Ukraine's highly placed officials assured the participants that these documents will be analysed in order to hold another meeting in the near future (around 23 May) to adopt them.

Military Team Visits Oblast, Holds News Conference

AU1805120294 Ivano-Frankivsk HALYCHYNA in Ukrainian 12 May 94 p 2

[Ihor Nykorovych report: "A Deputy Minister Heads the Inspection"]

[Text] Ukrainian Defense Minister Vitaliy Radetskyy was expected to arrive in Ivano-Frankivsk. However, perhaps, in connection with the beginning of work of the new parliament, his visit had been postponed, and the team of Ukraine's Ministry of Defense was headed by Deputy Minister Colonel General Ivan Bizhan.

On 10 May, two aircraft with the commission on board touched down at the military airfield in Ivano-Frankivsk. It was met by Major General Anatoliy Kalashnykov, commander of the formation; Colonel Mykola Moroz, military commissioner of the oblast; Zinoviy Shkutyak, first deputy chairman of the Oblast State Administration; and Yaroslav Taylikh, chairman of the Ivano-Frankivsk City Council and of the Executive Committee.

"It is an ordinary working trip," pointed out I. Bizhan answering the journalists' question about the purpose of the visit.

True, the representatives of the Defense Ministry arrived here to inspect the troops and check the work of the Oblast Military Commissariat, following which some of its recruitment resources may be mobilized. However, after all, such measures are implemented once every six to 10 years. Besides, it is not so often that top officials of Ukraine's Defense Ministry visit our oblast.

An improvised news conference was held at the airfield, and the deputy defense minister answered the journalists' questions. In particular, touching upon the situation in the Crimea, I. Bizhan pointed out that the Crimea is a constituent part of Ukraine. However, the negotiations on the division of the Black Sea Fleet in which I. Bizhan has been taking part for two years proceed with great difficulty.

The colonel general openly stated that he would like to talk about professional military matters, rather than politics. However, how can these two be separated? For example, questions arise on why the Ukrainian Army does not stand up to a comparison with the Russian Army. It is a matter of material provision for the armed forces, remuneration of the work of its officers, and everything that has to do with raising the prestige of the military service in society.

"You should not forget that the Ukrainian Army is being created in a blank space," pointed out the general. "Whereas the Russian Army used the structure of the

former Soviet Army. In Russia, there have remained both the General Staff and the military academies. Of course, we would like our officers to get higher salaries. However, we understand that the state allocates as much funds for the armed forces as it presently can."

I. Bizhan told the audience that a new program "Serving the People of Ukraine" will soon be started by the Ukrainian Television at the initiative of the defense minister in order to popularize the military service and to acquaint the public with army problems and daily life.

Communist Leader Outlines Party's Strategy

WS1805123094 Kiev HOLOS UKRAYINY in Ukrainian 11 May 94 p 5,6

[Interview with Petro Symonenko, people's deputy and first secretary of the Ukrainian Communist Party Central Committee, by Yakiv Halchenko; place and date not given: "Communists Are Not Going To Stop the Fly-Wheel, Yet..."]

[Text] [Halchenko] You are probably pleased with results of the Ukrainian legislative elections?

[Symonenko] Basically yes, because we received 86 legislative seats. However, there are other statistics. More than 10 million voters supported the bloc of leftist forces—communists, socialists, and peasants—which is, you should admit, a large figure. Still, we are not euphoric.

At the same time, I would like to refute claims that Communists brought pensioners into parliament. The average age of the Communist deputies is 45. Only one is 60 years old. For the most part, however, these are mature, able-bodied, dynamic, and educated people, with vast life experience, who are ready to tackle important state issues. All of them know what the communist idea of old communists was all about and what they should come up with today.

[Halchenko] With what intentions will you, as communist deputies, participate in sessions of the newly elected Ukrainian Supreme Council?

[Symonenko] We understand very well that very serious and hard work awaits us in the Supreme Council. One needs to do a lot of things which the old parliament failed to do. It stands to reason that everything will depend on how constructive the deputies' work will be. This is why we, the Communists, actively participated in the preparations, and have focused our efforts on resolving certain issues before the session formally begins. From the very beginning, we want to show that instead of idle chatter, the Supreme Council should engage in constructive work and search for optimal solutions for emerging from the crisis, with due regard for differences of the regions, social groups, and everything affecting each voter, each of us.

We also understand that people who voted for our representatives wanted to recover the social protection guarantees they had when real communists were in power. This makes us feel especially responsible. However, we realize very well that it is extremely hard to resolve all the problems that face us. We count on constructive work with all political forces and representatives of various industries in the Supreme Council. We will seek to find understanding of problems and a correct way out of the situation that has taken shape.

[Halchenko] Still, are you going to raise political issues or will you focus on resolving state and economic issues?

[Symonenko] We see adoption of a new Ukrainian constitution as the main political issue today. We will do our best to encourage citizens to actively discuss the constitution and advise the deputies as to what political system or, say, national symbols our state should have. People should be consulted on all important issues. This is a question of a long-term perspective. Today, we should be guided by the current Constitution, with all its changes and amendments, and work on a new one.

We believe that economic problems need to be tackled from the very first session of the Supreme Council. After all, without an economy, no one can even talk about Ukraine's independence and sovereignty. Incidentally, this is something that Ukrainian President L. Kravchuk has repeatedly emphasized. I am sure there are millions of unemployed in our country right now. Every effort must be made to boost production. Taxation policies should be urgently brought in line with the interests of manufacturers. The financial and credit system needs to be revised, especially interest rates of the banks. The state should reassume one of its major functions—managing the country's economic activities. We are for restoration of links with Russia, Belarus, Kazakhstan, and other republics of the former Soviet Union. Only here we can find the market. It is no use to look for it in the West, and one should stop fooling the people in this regard. The Supreme Council should make a decision on entering the CIS. No associate membership will ever save us—we will not be treated as an equal partner.

If the people support privatization, laws should also be revised. If privatization, a change of ownership forms, does not encourage production, one should find out why. We, the Communists, are often criticized for our alleged opposition to privatization. But we simply cannot approve of this wild privatization. Many people buy out property through dummy fronts, lining their pockets and cashing in on the national wealth. Others are ready to sacrifice all of Ukraine. Instead of canceling privatization, we should see who has what goals, what legislation was approved, and why it prevents the staff of a privatized enterprise from becoming its real owner.

[Halchenko] What is your attitude toward market reforms?

[Symonenko] There are neither market relations nor the market itself in our country. It is a different thing,

however, that some want to pull out their "idee fixe"—to enter a formation of a new social quality. Our position is: transition to the market is a lengthy process. Under the slogans of demonopolization and privatization, we want to implement the theoretical goal pursued by the market—manufacturing competitive products.

There is no market in its pure definition in any country of the world. State policies are everywhere. They are used as guidelines for crafting a certain program that is financed by the state and regulates those processes. In our country, everything was farmed out to a certain circle of wheelers and dealers.

[Halchenko] Will you uphold statehood of this country or will you press for a return to the Soviet Union? Many of our readers, Ukrainian citizens, are worried about this.

[Symonenko] In our program, we have written: everything should be done to make Ukraine prosper and develop. We see this as our objective, because we realize that even though all Soviet peoples formally achieved some political and economic independence after the Soviet Union's breakup, life has become worse. This is why we stand for a union of equal states. We understand that this, too, is a lengthy process. At the initial stage, we will uphold the principles of economic and defense unions. And the process itself is the people's will. Communists call upon peoples of the former Union to live in peace, accord, friendship, and equal material conditions, so that they help each other and preserve familial relations, as they did in the past.

[Halchenko] What do you think about the Socialist Party? Will your two parties remain united in tackling key issues for the country?

[Symonenko] We have no disagreements with the Socialists. All efforts to drive a wedge between us are in vain. This is an attempt to split the entire leftist bloc. I am deeply convinced that it will not succeed.

[Halchenko] What about the "Center" group?

[Symonenko] I have already felt the intention of setting up two directions, which is a condition for setting up two centers—one of L. Kuchma and other of the Supreme Council leadership. The Interregional Bloc for Reforms comes up with its own program. Not everyone supports it. We are for a situation where the parliament works in spite of all blocs and groups.

Of course, there are questions on which we cannot compromise. This is an issue of land issue. During examination of this issue, we will say that the land is the people's property and can by no means be sold or purchased. This is a fundamental issue. We will reject opposite approaches. While some propose wild capitalization today, we say: there should be national state property. Private property is working property. If you can sew or produce something, go ahead.

[Halchenko] In other words, you are for different forms of property?

[Symonenko] Yes. But private property should only be working property. The current private property is all distorted. Governing structures and their heads are currently being bribed and degraded. Hence comes the corruption, and this entire vertical chain of command works not for the Ukrainian people, but to line their own pockets. This is why not only we, but also all working people protest against these kinds of commercial activities. We say it straightforward: a parasitical group has appeared that is making capital. We stand against this kind of commercialization of our state.

[Halchenko] Are communist deputies going to raise a question of revising any economic laws—on privatization, for example?

[Symonenko] You cannot do everything in one fell swoop. If the fly-wheel is wound up, its huge momentum cannot be stopped right away. This is why everything needs to be examined, and only then can one make a decision. The stalling of a number of laws can only worsen the paralysis. Our main goal is that all reforms must be reexamined with due consideration of the interests of all people, and not of the 10-15 percent who are pleased with those laws.

We will comply with the Constitution, which provides for setting up parliamentary commissions. We will join them and meet with the electorate, working teams, and consult with experts; and only after that, we will propose revision of specific legal acts. None of us will rattle the saber, as some try to make it out. We will clearly and resolutely carry out policies legally, in the interests of all people.

Belarus

Program on Monetary Merger Outlined

LD1805122594

[Editorial Report] Moscow Radio Rossii Network in Russian at 0835 on 17 May broadcasts a 40-minute program on the merging of the Russian and Belarussian monetary systems. The program is in two parts and consists of, first, a 25-minute live interview with Stanislaw Shushkevich, former chairman of the Belarusian Supreme Soviet, by Leonid Sviridov, Radio Rossii's correspondent in Minsk, followed by, after a break for the news, a 15-minute question and answer session with listeners.

The live interview begins with Sviridov expressing surprise at Shushkevich's assertion, before going on air, that although the treaty on the unification of the Belarusian and Russian monetary systems has been signed, the official text of the treaty does not show the date when it was actually signed. Commenting on this, Shushkevich says:

"You are absolutely right to point this out. The Supreme Soviet of the Republic of Belarus finds itself in a laughable situation. The point is that a different document was signed—it was signed on 6 September last year and ratified by the Supreme Soviet. Now the Supreme Soviet is, so to speak, playing a joke—or else it has had a joke played on itself. This is because the Supreme Soviet ratified an agreement which should have come into force on 1 January. Then our esteemed premier [Vyacheslaw Kebich] announced that its implementation was being postponed to 1 April. Well, this did not happen, of course, and now nobody knows when it will come into force, because this is an authentic copy of the treaty, and there is no date here. So, nobody knows when it was signed.

"Furthermore, as you see, the signature of the chairman of the National Bank [Stanislaw Bagdankevich] does not appear here. In other words, he has objections."

Sviridov then interjects to explain that Bagdankevich's objections were based on Article five in the Belarusian Constitution.

Shushkevich continues:

"Well, if the chairman of the National Bank felt that he could not sign it, his reasons are understandable. He did not dare to contravene the Constitution. What is more, I think that perhaps he objected to the agreement as a whole because he regarded it as unbeneficial.

"But I would like to delve into the background of this treaty. Everything began with the establishment of the CIS. After all, the aim of setting up the CIS was to halt the disintegration. If anybody were to take the text of the Viskuli Agreement [setting up the CIS], they would see that it calls for a single currency and a customs and payments union. In other words, what was intended was an extremely integrated economic union, more integrated even than the European Community. We decided to build a law-based Commonwealth and to develop proper economic relations.

"But what transpired? Very often, these days, we hear complaints that the agreement is not working. A very simple truth has emerged. In conditions of the market economy governments cannot impose from above those ties which they might prefer. Market economies are effective because they establish logical and necessary ties. So, far fewer ties have been established by all the agreements signed on the CIS than those initiated from below. But this process has gotten going. There is no problem here. Such ties as military ones, ties in the field of transportation and communications, for instance, can be established from above, by government decisions. The movement of citizens and the openness of borders must be handled in this way. Economic ties, however, will be established by the due logic of things.

"Against this background it was announced that salvation for our structure—the Republic of Belarus—lay in the unification of monetary systems. I fear that Russia has very little idea of the state of our economy."

Shushkevich goes on to say: "I don't want to tax the listeners with complex matters. A few days ago [Prime Minister] Viktor Stepanovich Chernomyrdin had an article published in the FINANCIAL TIMES in which he said that the output slump in Russia amounts to 25 percent. That is a very big figure. But Russia has reformed itself. Obviously, reform is always accompanied by slump. Russia is building on a completely different foundation. The Russian prime minister put it this way: This is the low point; things will improve from here. Clearly, he must have reasons for saying so, since he made this statement to such an authoritative publication.

"But what has happened in our republic? Here the slump amounts to 40 percent. Production fell by 40 percent in the first quarter of this year, compared with the first quarter of last year. Just listen to our radio and TV broadcasts. Everywhere, government servants—I was going to call them satraps because of the mindless praise they go in for—everywhere they forget about this catastrophic slump. Instead they say that everything is fine I will not go so far as to quote the words of Utesov's song "Everything is fine, fair marchioness" but that is more or less what it amounts to. The collapse has actually been catastrophic. But we say that there is a way out of this predicament."

Returning to the merger of the Russian and Belarusian monetary systems, Shushkevich says:

"The Viskuli Agreement also stipulated that we would all use the same ruble. But what happened subsequently? Every newly formed country strove to gain an advantage at the expense of others. The banks were unable to agree on how to control emission. In other words, no mechanism of confidence and control was worked out. So, I

ask, won't the same thing happen if we unite? Does such a mechanism exist or not? Generally speaking, there is nothing new in this. I do not know of any legal agreements which have been reached. So, the same thing is bound to happen again. Assuming we do not want it to happen, let us ask what will be the significance of the transnational bank to be formed when the National Bank of the Republic of Belarus is abolished. This signifies that Russia and Belarus have to have a common budget. And how can we have a common budget without a single taxation system, because Russian citizens will not pay out for Belarusians or Belarusians for Russians? So, there will have to be a single, fair taxation system. That is obvious.

"What does a single taxation system mean? Tt means there must be a single law on property. That is obvious. What does a single law on property mean? It means there must be a single procedure for privatization. But the show has never gotten on the road here in Belarus, if you don't mind my saying so. Grassroots privatization, voucher privatization, has not started. In Russia, by contrast, it is now ending.

"What does a single procedure for privatization mean? It means joint administration of state assets. How can it not be joint? What does joint administration of state assets mean? It means centralized release of credit and identical rates of interest. When I was driving to the studio today, I heard someone on the radio saying that Russia has reduced its bank rate to 200 percent. Here, however, such an interest rate would be impossible, it would be equivalent to a subsidy because our inflation rate is so high. So, this is not realistic.

"But if this were actually to be implemented, welfare benefits in the two countries would have to be the same. How can such a thing happen, I ask you? It can only happen in a unified state. Given the differences in our legislation and the state of our economies, this is unrealistic. So, why all this hypocrisy? Let me ask a blunt question: What basis is there for all this talk of unification, and so on, and so forth? There is a great deal of hypocrisy here.

"Basically, the issue at stake here is not unification of monetary systems. These are populist election slogans, and our premier makes no effort to hide the fact. Speaking at the Belarussian State University a few days ago, he said that those articles of the law which have come into force, relating to the customs union, will operate until 31 July provided he [Kebich] is elected. Actually, they will stay in force after that. So, why is he dictating terms? What kind of interpretation is this?"

Sviridov then refers to a warning by Kebich, reported by ZVYAZDA on May 14th, that Belarusia's entry to the ruble zone might not actually go ahead if there is an upset in the presidential elections. Shushkevich replies:

"Who then should Russia, anybody in Russia, support? After all, such an attitude destroys the common strategy drawn up by the CIS, that is, the idea of mutual settlements through a payments union and an interstate bank. This is the decision of the CIS. We have an interest in this. Why can't we—we have a very big interest in resolving questions with Russia—but why can't we do the same with Ukraine? It can be done through a transnational bank. I think Russia has an interest in this, too. And the CIS has made a decision on this.

"So, it has to be ratified by the states involved. But this is being put off. In other words, the agreements signed by all members of the CIS must be implemented. Why is this not being done in our republic? The answer is transparently clear. Our government is bankrupt and it hopes that Russia will settle our debts at the expense of the Russian taxpayer.

"But I don't think this is very good for Russians. I repeat, I am convinced that the Russians do not realize how bad our economic situation is."

Asked to explain his position with regard to monetary unification, which seems to have changed since 1991 from supporting it to categorical rejection of it now, Shushkevich says:

"Let me make it clear. It is true that I was angrily criticized by the government because I said that I have nothing to do with this menagerie—I mean all these hares, aurochs, and other beasts—because I believed that we should carry out the same anti-inflation policy as Russia.

However, this was not to be. It was decided that we would kill two birds with one stone. First of all, we were to introduce the cash that Russia could not give us, but at the same time we were to keep the exchange rate of one-to-one, and the two currencies were to be in parallel circulation.

But there are no miracles. If we restrict the outflow, the consequences will be exactly as I said they would be. And I am not the only one to say so. I am not a prophet. Half the Supreme Soviet were such prophets. We explained all of this from the rostrum. In fact, the exchange rates began diverging and now the exchange rate is one-to-ten. So, what happened? It was decided that we would print as much money as we needed. If the agriculture is ruined, we will give credits. We have a catastrophically high inflation rate, that is, price rises are very much greater than in Russia. But at the same time, we wanted to have a stable monetary system. These are the naive dreams of the government.

"So why is there such a desire now? Well, I was against the creation of this money. I understood what it would lead to, because no one can make miracles happen. It is impossible to make ordinary people live according to market rules, but let the leadership live according to distribution rules. And this is what they were trying to achieve here."

Shushkevich goes on to say: "Look at what happened this year. [Viktor] Chernomyrdin believes that there is a slump in Russia, but it is dictated by the reforms, and one can understand this. Russia bravely decided to follow the path of reforms and create a new class of owners. But we have no reforms. All we've got are individuals close to the government, and they grab more and more property. And look what happened in one year! I have already said that there is a 40-percent decline in the gross national product, prices have gone up 24 times while incomes have increased 15 times. The decline in average income is 40 percent. And if you take into account the polarization of society, we have a lot of destitute people."

Shushkevich is then given some statistical data about the general dissatisfaction with the pace of reforms by the ordinary people in Belarus. "Well, it is just one more shattered dream. See what the people have been told: that they can exchange 200,000 rúbles one-for-one. So, those who have a million hares in the bank, well, they will be pleased, won't they?" But, he adds, because of various restrictions imposed by the government for the forthcoming exchange of the Belarusian currency for Russian rubles, only a very exclusive circle of people close to the government will benefit from it.

He says: "In 1991, thanks to a very honorable offer by Russia, we had a zero agreement, which meant that we had no more debts. At present, we will have $2 billion in debts by the end of the year. Some say that there is no real debt. But this year, the officially determined sum allocated for servicing the debt is $305.5 million. We must amalgamate these debts right now. But at the same time, Belarus is going to lose rental payments from Russian military bases. We are also going to lose the land tax from these bases. Another tax that we are losing is the transit transport tax.

"One would say that this is all very fine and that we will receive cheap oil in exchange for all of this, without any added value. But this is not exactly the case. And the first steps have already shown that excise duties are increasing, and the price [of Russian oil sold to Belarus] is slowly going back to what it was. All of this is a fairy tale, a myth, because once people start barter deals—I will give you a bit of this if you give me a bit of that—instead of counting everything in money, misunderstandings arise right away."

Shushkevich goes on to say that Russia should refine all the crude oil it exports to the West, and that it should do it together with Belarus, because of transportation links existing in Belarus. He then adds: "A question arises. Who wants this treaty? Who wants to transport oil to the West, quickly and free of charge? Is it the Russian state? We are not going to take this money from commercial structures. Do you understand? One must always look for a reason, and it seems to me that it is not the Russian state which is more interested in this, but rather the Russian Gazprom and other commercial structures. They are forcing us to make our taxpayers pay for this transit facility, ostensibly for Russia, but it is not for Russia that we will be doing this, but for some entirely different structures.

"Why is it that commercial structures will not be paying any taxes? Russian commercial structures will not be paying any taxes for the transit of gas through Belrusian territory! I don't think this is fair! And in general, I would say that whenever something somewhere is going for free, there is a culprit. And in the final account, Russia will be guilty. I do not think this is right, I do not think this is in Russia's interest."

During the question and answer session at the end of the program Shushkevich is asked why he is giving his interview to Radio Rossii rather than to Belarusian radio. Shushkevich replies:

"In our republic, you know, the authorities have what amounts to a monopoly over all the mass media. Our government has decided that no one holding views different from itself shall have airtime on Belarusian radio and, especially, Belarusian TV. There are very few exceptions."

The program ends with a final question about why Belarusian sour cream is being exported to Russia.

Economist Deems Confederation With Russia 'Illusionary'

WS1805072294 Minsk DOBRY VECHAR in Belarusian 12 May 94 p 2

[Article by Professor of Economic Sciences Yuriy Brovka: "They Say 'Confederation' but Mean 'Federation'"]

[Excerpt] [Passage omitted] As for the creation of a confederation on the territory of the former USSR, in my opinion, we missed that opportunity back in 1990-91. Currently, we can only discuss a slow moving forward toward a confederation based on CIS structures. Given favorable circumstances, this goal can be achieved no earlier than 10 or 15 years from now. However, everything will depend on how quickly the European Union members adopt a similar path.

We can speak about a confederation on the territory of the entire area of the former USSR, including some neighboring states, however, the idea of a confederation of two entities—Russia and Belarus—is absolutely illusionary. Two states, so different in size (correlation in the population is 15:1 and in territory—70:1), cannot unite in one confederation, a union of sovereign states, which foresees not only formal equality, but equal rights in adopting decisions. The point is that the confederation is built on the "dual key" principle. However, will Russia agree that one Belarusian vote has the same power as 15 Russian votes? I am afraid that those, who insist on setting up a confederation of two entities, understand this all too well. They say "confederation"

but mean a federation, with a strong centripetal tendency. Well, two subjects will hardly establish a federation. Do they mean a simple incorporation of the Republic of Belarus into the Russian Federation with some rights of "autonomy?" This danger exists, and our citizens should realize that the status of a former autonomous republic within Russia cannot be compared with the status of a republic within the former USSR. Though my attitude toward relations between the federal and republican organs in the former USSR is overly critical, I have to admit that from a legal point of view, all the republics were formally equal before the center of the federation. This formal equality had, at least, psychological significance and encouraged, to a certain degree, the preservation of a specific amount of national culture, and even some economic welfare. Nothing of this kind has ever been noticed within the Russian Federation. Many of its bodies, even until lately, were of a purely unitary nature. Currently, the issue of the status of the national republics within the Russian Federation remains very complicated, even regarding regions where people with a high national awareness reside in close quarters to one another. Until now, none of the former "autonomies" failed to obtain guarantees from Moscow for an easy withdrawal from the Russian Federation.

For Belarus, incorporation into the Russian Federation would mean a national catastrophe. Short-term advantages arising from this decision will destruct everything that identifies the independence of Belarus. This will happen not due to the imperial aggressiveness of the Russians, but due to the weakness of the national awareness of Belarusians. Therefore, during the upcoming elections for president and Supreme Soviet deputies, Belarusians should be on the alert: What do the candidates propose? Do they support Belarusian sovereignty?

All the remaining issues—a degree of economic integration with Russia, the attempts to achieve the status of a neutral state, cooperation within the CIS security system, with NATO and other defense unions, currency union with Russia and other CIS states—can be resolved by various means regarding the difference in voters' opinions and different approaches to the domestic and foreign situation. However, any program should unequivocally provide for the state independence of Belarus.

Economist Favors Ruble Union With Provisions

WS1905081594 Minsk SEM DNEY in Russian 14 May 94 pp 1, 2

[Interview with Yevgeniy Stanislavovich Dovgel, director of the Scientific-Economic Center 'Ekon,' by unidentified reporter; place and date not given: "We Have One Circulatory System But Two Heads...."]

[Text] A monetary merger pact has most probably divided the people into two groups—supporting and opposing. Nevertheless, we can assess this pact using objective science. Our expert Yevgeniy Dovgel, director of the Scientific-Economic Center "Ekon," ponders the issue of an economic union and a joint monetary system.

[Dovgel] This idea is not so bad, however, it is not modern. It has a lengthy history and big prospects. Many people support the idea that all obstacles for labor and capital on earth should be removed, and a highly developed language of international contacts and a stable international currency should be introduced. The question is only how this can be implemented, so that each state gains benefits. To realize "people's dreams," it is necessary to provide for two conditions. First, the international currency should not be subject to inflation; second, sovereign states-members of this union should have nondeficit budgets. If these two conditions are not observed, this union will not last long. The emission center will work as a huge vacuum cleaner, that is, it will suck resources and goods from neighboring states from its allies by issuing noncovered money and credits; at the same time, the states—with deficit budgets—will become dependent on this center and will be forced to introduce their national currencies. This simple theory has been proven in practice. The United States and Canada, for example, set up their single economic space long ago but still cannot have a single currency (with the dollar being a world authority!). The European Union members lift economic borders and customs checkpoints, but preserve their currencies and gradually, with great effort and caution, establish their international currency—the ECU. The Viskuli agreement regarding the CIS was an example of such a quick "resolution" to the problem. They agreed to establish a single economic space, a unified budget policy, coordinated work of customs offices, and the free transit of goods. However, we had all these conditions earlier and the states were members of a single ruble zone. Nevertheless, everything collapsed too quickly because economic laws cannot be abolished by government decrees.

[SEM DNEY] Yevgeniy Stanislavovich, could we obtain the results similar to those of the Viskuli agreement?

[Dovgel] According to the initiators of the signed agreement, it just mirrors various agreements, which formulated the establishment and functioning of the CIS as a union of independent states, each of which wishes to preserve its own legislature and government. At the same time, the goal is to set up a single ruble zone of the USSR-type, a "circulatory system" in a single organism, to set up an organism which will have one circulatory system but two heads. An enterprise having two boards and two managing directors can serve as an example of this case. Or we can compare it with two families living separately but using one budget.

[SEM DNEY] Sometimes, the issue of this pact is raised in the following way: "What part of our sovereignty have we lost?"

[Dovgel] I understand the sovereignty as a priority in domestic matters and an opportunity to independently formulate a foreign policy. For example, an old-age

pension in Belarus is a little higher than in Russia, while prices for bread, milk, and some other products are considerably lower. When we shift to Russian taxation and a single budget (even if it is called a "Consolidated" budget, written with an upper case), everything will be unified. Otherwise, the Russian Government will have to pay larger subsidies to Belarusian pensioners than to those living in Russia. Issuing subsidies to lower prices in Belarus from a unified budget will also be unreal because Russia has already introduced market prices. To say nothing about issuing credits to the agricultural sector that our National Bank did not long ago by a decision of the Supreme Soviet. As for foreign policy, we have already adopted the Russian customs legislation. We will have to look back to the center when receiving foreign loans, because repaying loans will have to be included in the unified budget.

[SEM DNEY] That means that the sovereignty of the Republic will be restricted to some extent.

[Dovgel] Probably, that is so. However, the sovereignty is not an end in itself. If only integration of the Republic with Russia could raise the welfare of our people, we could seriously discuss this subject. However, the standard of living in Russia is decreasing more quickly than in Belarus. National income in Russia has shrunk by 14 percent in 1991, by 22 percent—in 1992, and by 14.6 percent—in 1993 (while in Belarus—by 2.11 percent and 10 percent, respectively). I would also advise reading articles by S. Govorukhin in SOVETSKAYA BELORUSSIYA. Russia is far from being the state that we knew, remember, and love. Many do not realize this. We should be careful not to get out of the frying pan into the fire after our election campaign.

[SEM DNEY] Do you mean that currently an economic union with Russia is unachievable or unwelcome?

[Dovgel] It is both achievable and welcome! Moreover, not only with Russia but with all other states, and we cannot speak about any isolationism. A single currency could be of use to all the members of this economic union, and their sovereignty would not be infringed on. Only two conditions should be fulfilled that I have already spoken about. We can make a proposal on how to do it. If customs checkpoints at the borders are liquidated (there were some attempts in Belarus), and the motives for work at the enterprises and stimuli for development of production are not created, then resources and goods will simply "run away" from Belarus to places where prices for them are higher, and earnings will be used for buying various licenses and quotas, as well as for building new cottages.

[SEM DNEY] What is your attitude to statements declaring that prices will not be increased anymore and only wages will grow?

[Dovgel] We no longer require statements, we had many. We require precise and meaningful decisions which could organize our people in creative and efficient labor. People should have an opportunity to work for themselves and for their families at enterprises and they will then be able to move mountains, otherwise, they will work on their private plots irrespective of what zone we have—ruble or "hare." Whichever unions are signed, we should realize that foreign economic conditions—favorable or unfavorable—could only indirectly affect the national economy because the same people will work.

[SEM DNEY] What does the "Ekon" center propose?

[Dovgel] We propose a program formulating how to stabilize and quickly recover the Republic's economy. This program has already been put to a test; it is supported by authoritative researchers, working collectives, trade unions, and has been approved at an international conference. In addition, we propose a package of documents regarding specific methodology for raising the economic efficiency of enterprises (with all technical specifications) that had been tested in practice.

Recently, we established the Republican civilian association "Ekon" to foster economic development and promote our concept.

Kebich Says Joining of Ruble Zone Dependent on Elections

WS1905083894 Minsk ZVYAZDA in Belarusian 14 May 94 p 1

[Report by Valyantsin Zhdanko: "Vyachaslaw Kebich Warns: 'If the Presidential Campaign Is a Bust,' Belarus Will Most Likely Not Join Ruble Zone]

[Text] One of the main arguments and trump cards of the prime minister in the presidential campaign is the Russian-Belarusian agreement on joining the common ruble zone. However, hope for an immediate provision of Belarusian citizens with tricolored Russian banknotes did not come true. This hampers Mr. Kebich's campaign to a great extent.

Relations with Russia and the forthcoming monetary union are the main topics at meetings of the prime minister and his electorate. They were also much discussed at Mr. Kebich's meeting with professors of institutes of higher education in Minsk, which was held at the Belarusian State University on 12 May. The present stage of the implementation of the above-mentioned agreement was assessed by the prime minister in the following way:

"Nine articles out of 12 are already in force. The most essential article of this agreement concerns the lifting of custom duties, quotas, and tariffs. Practically, it means that prices for imported Russian goods will be lowered by about 25-30 percent. Consequently, this leads to a decrease in production costs and to a possibility of falling retail prices. However, it is undesirable to decrease retail prices today. Why? Because even at current prices, a great flood of goods (especially foodstuffs) outside of Belarus exists. Therefore, our task is,

while preserving the same retail prices, to increase wages. This is a more proper way, and we will follow it."

"With regard to other articles of the agreement, I should say that we need to bring some legislative acts in line with legislative acts of the Russian Federation. However, I will tell you honestly: During our talks with the Russian leadership, one could sense an underlying sentiment: 'We will wait and see who will become your president...' The document signed by Oleg Soskovets, Russia's first deputy prime minister, specifies the term. Nine articles come in force before 31 July. Note that this term was chosen not accidentally... Let us say straightforwardly: If the presidential elections are a bust, this may prevent the union from being formed."

In general, during the meeting, Mr. Kebich frequently accentuated the delicacy of relations with our eastern neighbor and their tendency to fluctuations due to seemingly insignificant factors:

"There was a mention of our victory over Moscow regiments near Orsha in 1514, and Russia cut off its gas supplies. This was not accidental. We still owe debts to Russia for gas—but gas supplies continue... There was a mention of Belarusian claims to Bransk and Smolensk Oblasts, for Vilnius region—and we received the next warning: 'We will halt gas supplies if you do not start paying.' Politics know no trifles. One has to be very careful about politics and assess the situation very accurately."

Understandably, Mr. Kebich himself has never made any such statements on the victory near Orsha or some territorial claims. Apparently, he had in mind statements and actions by the Belarusian Popular Front...

The prime minister firmly cut himself off from the radical ideas of both the "right" and the "left." He promised stability, consequence, and continual progress after his victory in the elections.

Poll Shows Kebich Leading in Presidential Race

MK1805113594 Moscow KOMMERSANT-DAILY in Russian 18 May 94 p 4

[Report by Svetlana Sukhova in the "Election Campaign in Belarus" column: "State Security and Militia Men Play the Role of Agitators"]

[Text] Yesterday the registration of presidential candidates closed in Minsk. The election campaign is in full swing, and election battles are under way across the territory of Belorussia [Belarus].

Sensitive to the electrified political atmosphere in the republic and the candidates' overflowing game spirit, the Internal Affairs Ministry and the Defense Ministry have decided to join the election struggle. To avoid a repetition of mistakes and so as not "to step on a rake," Minsk decided to find out in good time whose side "the man with the gun" is on so as to be able to revise his position if necessary.

According to the RID news agency, a special analytical group including nine officers has been set up in the Defense Ministry's Education Directorate. The first poll it conducted showed an incontestable lead by Premier Vyacheslav Kebich (56 percent of the military vote). His main rival Aleksandr Lukashenko has earned the trust of only 15 percent of the military, and Stanislav Shushkevich was hard put to get even four percent. In all likelihood, this four percent have not as yet heard rumors about the ex-speaker's recent May Day speech in Baranovichi. This, in spite of the fact that Belorussia's security bodies have already compiled a circumstantial report on this trip.

According to a state security official, who "accidentally" was present at the meeting, Shushkevich was rather sharp "about Belorussia's military problems." In particular he said that "compensation to the military must be lower than to Internal Affairs Ministry employees because they do not risk their lives every single minute." (In addition, according to the same source, Shushkevich also maintained that military pensions must be paid by Russia, also complaining, "Where is the hard currency for the continued presence of Russian military bases on Belorussia's territory?") Now the ex-speaker justifies himself by saying that the report by the special services contains "distorted facts which nonetheless look very much like the truth although there is only five percent of the truth in it."

Two more questions are left open: On whose desks have copies of the report been laid, and by what right are special services spying on a candidate? According to RID, the special services have already produced no fewer than 10 reports on statements by presidential candidates which were submitted to the premier.

Yet in spite of the seeming vigor of the election campaign, Shushkevich "is bringing up the column's rear." In the "presidential race" lead car is Vyacheslav Kebich. But even he has to look over his shoulder all the time because Aleksandr Lukashenko can overtake him any moment. True, Belorussia's "implacable mafia fighter" can be let down not only by the brakes but also the engine: The Slavic White Russia Union [Sobor], driving him towards the presidency, is going to revise its policy of promoting three candidates simultaneously, confining itself to just one. The reason for this decision was the disagreements that emerged within the Union: Four Minsk district groups raising signatures in support of Lukashenko refused to collaborate with him attributing this to the "inconsistent conduct of Aleksandr Grigorievich's entourage." Thus, the "Belorussian Commissar Cattagnio's" support group has reduced by 400 people."

And this at a time when a mere 20,000 signatures were needed to meet the required 100,000. In a bid to curb disagreements White Russia stated that on 4 June it will

announce one of the three candidates: Lukhashenko, Kebich, or Novikov. And then the people will have to make their choice....

Moldova

Prime Minister Interviewed on Social, Economic Reforms

LD1805174194 Moscow INTERFAX in English 1403 GMT 18 May 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov and Andrey Petrovskiy; edited by Vladimir Shishlin]

[Text] President Mircea Snegur is reported to have praised a government-proposed new five-year plan spread over a period up to 1999. The government is given 10 days in which to amend the paper before it goes to parliament. In an interview with INTERFAX, Prime Minister Andrei Sangheli was speaking about the main guidelines of the country's social and economic reforms.

IF: What exactly are the Moldovan Government's priorities?

SANGHELI: Well, these include the consolidation of the country's statehood, its political and economic independence and creation of an effective advanced economy.

We will be seeking to the Republic's incorporation in the world economy, ensure decent living standards and protect more vulnerable sections.

IF: Is it possible to say that the government is firmly committed to a market-led economy?

SANGHELI: Yes. At the same time, we are working on a premise that market economy should not be an end in itself, but a means of improving production efficiency and living standards. The planned reforms and transition to market relations combined with government regulation will be carried out with an eye on the country's traditions and specifics, the structure and distribution of the workforce, cultural and social factors.

The government is seeking to enlarge the social basis of reforms by swaying support from broader sections of the population. I do not think the state and government must be perceived as forces acting against the public. That is why we intend to pursue a coherent and economically measured social policy.

Although international aid, investment, credits, technologies and expertise are only too welcome, Moldova must rely only on its own potential.

IF: The economic situation in Moldova remains unstable. Since early 1990's, its GDP and national income has fallen by 46.5 and 44.7 percent respectively with industrial and farm output dropping by 30.3 and 29.8 percent. True, there are also positive trends, but these are not too many. How is the country going to reverse those negative trends?

SANHGELI: Nothing short of effective economic reform measures, stimulation of production and social security safeguards can help to do so.

Last year, the government launched a nationwide privatization program including stock taking and evaluation of the state property. Bonds (similar to Russia's privatization vouchers—IF) were distributed among Moldovan citizens. By now, more than 300 state enterprises have been turned into stock holding companies. The process of demonopolization is now under way in retail trade, catering and services.

With the first stage of land reform now completed, a total of 284,000 ha of land has fallen into private hands. The second stage will allow rural residents to share in the land or assets of state farm producers.

IF Note: The country's privatization land fund runs at about two million ha or 62 percent of the country's total. By now, 60 percent of those entitled to land ownership have received appropriate land titles.

The process is under way of transforming state or collective farms into stock holding companies, farm cooperatives or firms and private farms. The number of farmsteads runs at nearly 10,000.

To promote entrepreneurial business, a support fund was set up to help promote private enterprise and small-size business. Similar government programs are to be approved soon. The private sector units about 34,000 economic entities, with more than 15,000 of them emerging last year.

IF: What sort of financial, taxation and crediting policy is the government planning to pursue in the next few years?

SANGHELI: We will embark on a moderately tight financial and crediting policies. This provides for an increase in government revenues by improving taxation and financial discipline and combatting tax evasion. We also plan to raise revenues at the cost of state, lease and stock holding companies as well as proceeds from the sale of state property, utilization of natural resources and land rent.

Plans are also in progress to issue short-term bonds and securities at attractive conditions in an effort to achieve a a deficit-free budget.

The government sets great store by the decentralization of the budgetary system which will create a real economic basis for local self-management. It is planned that individual, corporate, property and local taxes and duties will be levied to help form local budgets.

Decentralization of the budget and greater economic independence by the regions can help defuse tension

between the center and local government bodies, including Transdniestria [Transdniester] and Gagauzia.

Snegur Joins Moldovan Agrarian Democratic Party

AU1905065094 Bucharest Radio Romania Network in Romanian 1900 GMT 18 May 94

[Text] Mircea Snegur, president of the Republic of Moldova, has decided to join the Moldovan Agrarian Democratic Party [PDAM], winner of the parliamentary elections that took place two and a half months ago, our correspondent Alexandru Beleavschi reported, quoting sources in the Moldovan Presidency.

Thus, President Snegur's decision makes it possible today for all Chisinau's leaders to be united under the banner of the PDAM. Prime Minister Andrei Sangheli is one of the PDAM leaders, Petru Lucinschi, president of the Moldovan Parliament, also ran on the lists of this party at the recent parliamentary elections, and Dumitru Motpan, president of the party, is the vice president of the Parliament in Chisinau.

Kazakhstan

Oblast Reports Decline in Productivity for 1st Quarter

LD1805121794 Almaty Kazakh Radio Network in Kazakh 0400 GMT 18 May 94

[Text] Kokshetau Oblast published data on its political and social situation with regard to the first quarter of this year. Production output is declining. All rayons reduced milk production. Kzyl-Tu rayon produced 385 tonnes of milk; Zerendy—432 tonnes. Every 100 cows produced 26 calves, and every 100 sheep—73 lambs. Valikhanov, Kzyl-Tu, and Lenin rayons fulfilled only 50 percent of the state order on procurement of agricultural products. Seventy two enterprises failed to fulfill their production plans. Goods worth 128.03 million tenge have not been produced.

Karaganda Coal Miners Begin Strike

LD1805130794 Moscow INTERFAX in English 1114 GMT 18 May 94

[Text] Over 500 miners at nine pits in the Karaganda Coal Mining Area in North Kazakhstan refused to go underground on Wednesday [18 May]. The strike is staged at the call of the Independent Mine Workers' Union, which demands that the Karaganda Coal administration sign an agreement to guarantee better social conditions, such as the timely payment of the wages, social, and medical insurance and the allocation of credits for the purchase of housing.

The administration refuses to sign such an agreement with the union on the grounds that an agreement on tariffs has already been signed with the official unions.

On the eve of the strike the Director General of Karaganda Coal, Grigoriy Present, sent a cable to the mines, qualifying the action of protest as illegal. It will be regarded as absenteeism, he said.

The official unions of mine workers did not support the strike either, viewing it as illegal and untimely.

Bulgarian Government Delegation Visits

LD1805172794 Almaty Kazakh Radio Network in Kazakh 1400 GMT 18 May 94

[Text] On 18 May, members of the official Bulgarian delegation who are on a visit to Almaty in connection with Bulgaria in Kazakhstan Days, were received by Deputy Prime Minister Sergey Kulagin. Zakhariy Zakhariyev, the head of the Bulgarian delegation, deputy of the People's Assembly of Bulgaria, and chairman of the Federation of Friendship with the peoples of Russia and CIS, noted that meetings held in the previous days with representatives of the government, business circles, and public movements of Kazakhstan allowed him to establish contacts which will give a new impact to the relations between the two countries. He spoke about a number of particular projects aimed at setting up joint ventures. In particular the Bulgarian side developed a program of cooperation in the field of the defense industry, setting up of a large transport enterprise, and in the manufacturing of cigarettes. Kulagin said all the projects would be examined by specialists. Kazakhstan in its turn also has proposals to expand business partnership with Bulgaria and will submit these proposals for consideration by the Bulgarian side.

On the same day the delegation was received by Foreign Minister Kanat Saudabayev. He stressed that the visit of the president of Bulgaria Zhelu Zhelev to Kazakhstan last year had a powerful impact on the development of bilateral relations. Now a possibility exists to fill with real substance all the agreements on increasing economic contacts between our states.

Valentin Gatsinski, the Bulgarian first deputy foreign minister, expressed hope that in the near future our countries would exchange embassies. He recalled the words of renowned economists of the world that the shortest way between the new technology of the West and the richest potential of Eurasia goes through Kazakhstan. The members of the Bulgarian delegation passed on to the Foreign Ministry of Kazakhstan a draft intergovernmental agreement prepared by them on avoiding double taxation.

Kyrgyzstan

Half-Empty Napalm Containers Explode at Military Depot

LD1905062594 Moscow Mayak Radio Network in Russian 0600 GMT 19 May 94

[Text] Our next report comes from Bishkek. Half-empty containers of napalm have exploded at an underground military depot located on the western outskirts of the city. The explosion is being attributed to negligence. There are no reports of casualties, other than the deport, which was destroyed.

Akayev Urges More Dynamic Relations With Japan

LD1805181494 Moscow INTERFAX in English 1552 GMT 18 May 94

[Text] Kyrgyzstan wants its relations with Japan to develop dynamically and along many fronts, President Askar Akayev said Wednesday [18 May] when he met with the Japanese economic mission in Kyrgyzstan.

He said that his country would welcome wider activities of Japanese businessmen and that a Japanese business center would be set up in the capital Bishkek shortly. Akayev emphasized that Japan's aid in reconstructing the republic's economy, in particular in reforming the banking system was invaluable.

Akayev thought that Japan could be involved in structural changes now underway in Kyrgyzstan. He supported the Japan-proposed, long-term Silk Route of the 21st Century project of developing telecommunication and airlines between Eastern Europe, Russia and South East and Central Asia.

The project would turn Kyrgyzstan into a center of transportation and communication links between Europe and Asia, Akayev thought.

CIS Commander in Tajikistan Visits Kyrgyz Capital

LD1805145894 Moscow ITAR-TASS in English 1310 GMT 18 May 94

[Report by ITAR-TASS correspondent Boris Mainayev]

[Text] Bishkek 18 May TASS—Commander of CIS coalition peacemaking forces in Tajikistan, Colonel-General Valeriy Patrikeyev paid a short visit to Bishkek, the capital of Kyrgyzia, on Wednesday [18 May].

The press centre of the Kyrghyz Defence Ministry told ITAR-TASS that during his few hours' stay in Bishkek, the commander met with Kyrgyz Defence Minister Myrzakan Subanov and discussed with him the possibility of strengthening the Tajik-Afghan border. The Kyrgyz Battalion staff was recently fortified with military personnel from the Murgab frontier guard detachment, but the situation remains tense.

Tajikistan

Provocations on Tajik-Afghan Border Continue

LD1805190594 Moscow ITAR-TASS in English 1735 GMT 18 May 94

[Report English by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe 18 May TASS—Armed provocations on the Tajik-Afghan border continue. Several attempts by a group of supporters of the Islamic Revival of Tajikistan movement to force entry from Afghanistan through a number of sectors of Pyanj and Moscow frontier guard detachments into the republic's territory were thwarted by Russian frontier guards on the night of May 18.

The same night the Tajik opposition militants shelled a number of Russian border check points in the Shurobad direction from the rear. The enemy weapon emplacements were neutralized by the Russian frontier guard detachment shelling. There were no casualties reported among the Russian servicemen.

ITAR-TASS was informed of these facts by military sources in Dushanbe today. According to the sources, a large-scale operation to uncover and neutralize militant groups of the Tajik opposition, which penetrated the Tajik border territory during the past few weeks, is underway in the Shurobad direction in the zone guarded by the Moscow frontier guard detachment.

Tajikistan's Ministry of Defence, Ministry of Security and Ministry of the Interior detachments are taking active part in the operation together with the Russian frontier guards.

Opposition Groups Allowed to Discuss Constitution

LD1805180394 Moscow INTERFAX in English 1552 GMT 18 May 94

[Text] First Deputy Chairman of the Tajik Supreme Court Abdulmajid Dostiyev rejected in an INTERFAX interview the opposition's allegations that the discussion of a constitution draft was illegal because every fifth resident of the country had left it.

He said that, according to the UN, there were 27,000 Tajik refugees in Afghanistan while 110,000 people moved to other CIS member nations but as few as 5000 of them were ethnic Tajiks while the others were Russian speakers who had returned to their old countries.

Dostiyev said that the opposition had every opportunity to discuss the constitution draft in the country's mass media. He added that hundreds of copies of the draft had been sent to Moscow, St. Petersburg and Afghanistan.

He doubted that alternative drafts were in existence. If they did, their publication would be useful.

Dostiyev said that most responses to the draft were positive and there were no essential objections to or constructive criticism of the draft to speak of.

He said he would insist that the Constitution be adopted by a referendum. If this does not work for any reason, it could be adopted in a congress at which all areas, towns and organizations are represented, he said. He expected the Supreme Soviet to make a decision on this early in July.

Uzbekistan

Karimov Addresses Tokyo News Conference

LD1805135794 Moscow ITAR-TASS World Service in Russian 0630 GMT 18 May 94

[Report by ITAR-TASS correspondent Vyacheslav Bantin]

[Text] Tokyo, 18 May (ITAR-TASS)—President Islam Karimov of Uzbekistan, who is currently on his first visit to Japan, told a news conference in Tokyo today of his confidence that economic cooperation between Uzbekistan and Japan will develop rapidly in the immediate future. Responding to a question from ITAR-TASS, he noted that "the joint Uzbek-Japanese documents signed

during the visit and the talks with Japanese Prime Minister Tsutomu Hata" justify such hopes.

Yesterday the Uzbek president and the Japanese prime minister adopted a joint declaration setting out the fundamental principles to which Tashkent and Tokyo intend to adhere in bilateral relations. In the document Uzbekistan expresses support for Japan's admission to the UN Security Council as a permanent member. The signatories to the declaration proclaim their intention to cooperate closely within the UN and other international organizations. They advocate the expansion of political dialogue between the two countries.

After the adoption of the joint declaration the foreign ministers of Uzbekistan and Japan signed a joint document which asserts that both sides regard all treaties between the former USSR and Japan, relating to Uzbekistan, as remaining in force.

During yesterday's Uzbek-Japanese talks Prime Minister Tsutomu Hata announced that Japan will grant Uzbekistan fresh medical aid worth $5 million. The total value of Tokyo's medical aid to the Republic now amounts to $15 million.

The chief aim of the Uzbek president's four-day visit to Japan, which began Monday , is to establish a basis for the rapid development of economic cooperation between Tashkent and Tokyo. Referring to the prospects for this, Islam Karimov drew attention to the fact that the interests of both countries would be served by the harnessing of Japan's technological power to Uzbekistan's huge natural resources. "According to estimates by U.S. experts, Uzbekistan's mineral and raw material reserves are worth $3 trillion," the president said.

Islam Karimov disclosed that the possibility of opening a direct air link between Uzbekistan and Japan was discussed during his talks in Tokyo. Uzbekistan is ready to open up direct air services to any Japanese city and to resolve the technical questions which this involves, the president noted.

Karimov: Eurasian Union Dead; No Hurry to Join PFP

LD1805124094 Moscow ITAR-TASS World Service in Russian 0700 GMT 18 May 94

[Report by ITAR-TASS correspondent Vyacheslav Bantin]

[Text] Tokyo, 18 May (ITAR-TASS)—"Agreement has been reached with Kazakhstan's President Nursultan Nazarbayev on scrapping the proposal to set up the Eurasian Union," Uzbekistan's President Islam Karimov, on his first visit to Japan, told a news conference in Tokyo today.

The president expressed the view that the idea to set up the Eurasian Union was no more than a "populist slogan". "If we are unable to enforce real economic integration between CIS countries, how can one talk about setting up the Eurasian Union?" he said. Islam Karimov stressed the importance of the creation of the CIS, noting that "without the Commonwealth, the breakup of the former USSR could have resulted in the start of civil war" in several republics.

Speaking about NATO's Partnership for Peace program, the president made it clear that Tashkent does not intend to hurry in deciding whether to join it. "We are now studying the issue," Islam Karimov said. He noted that Uzbekistan is consulting with Russia on the issue of joining the NATO program. "We have good understanding with Russia on the matter," the president said.

Armenia

Foreign Ministry Appeals for End to Conflict

NC1705110894 Yerevan SNARK in English 1205 GMT 16 May 94

[Text] Yerevan, 16 MAY (SNARK)—Armenian Ministry of Foreign Affairs appealed today to all parties involved in the Karabakh conflict "to refrain from hostile actions and announcements, to demonstrate good will in order to end the tragedy and make possible the solution of Nagorno-Karabakh problem through negotiations at the Minsk Conference."

In the statement issued today, the ministry expressed its hope that "collaboration between the Russian Federation and the CSCE Minsk group will continue, and all possible and required mechanisms will be effected, including disposition of observers, in order to transform the truce into a stable cease-fire as soon as possible."

Azerbaijanis Said Shelling Villages

NC1805105794 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0713 GMT 18 May 94

[Text] Stepanakert ("AZG", "YERKIR" dailies), 05/18/94—No significant changes have been reported at the Karabakh fronts during the last two days. Nevertheless, the Azeri units have been shelling the Armenian positions at the villages of Seisulan, Karmiravan and Gasangaya in the Mardakertskiy district and Gyullija, Suma and Umudlu in the Agdamskiy district during the night and in the morning of 17 May. The enemy used mortars and grenade dischargers. According to preliminary information, the Karabakh side suffered no casualties. Meanwhile, "YERKIR" reports, quoting "HAYLUR" agency, one Armenian fighter was injured.

According to the RMK [Republic of Mountainous Karabakh] Defense Army headquarters, the enemy shelled the Karabakh positions at the village of Giulistan in the Shaumyanskiy district later in the afternoon. Again, no casualties are reported. By 1700, the Azeri forces shelled the Karabakh positions in the Fizulinskiy district and in the environs of the Umar gorge at the north of the Kelbadzharskiy district.

The RMK forces refrained from returning the fire in all cases.

Defense Ministry Cited on Nakhichevan Shelling Village

NC1905061194 Yerevan SNARK in English 1314 GMT 18 May 94

[Text] Yerevan, 18 May (SNARK)—The Armenian boundary territories at the village of Yeraskhavan (in the south of Armenia) were shelled this night from Nakhichevan.

The press-center of the Armenian Defence Ministry told SNARK the fire from mortars and submachine guns lasted for five hours. There are victims among Armenian border-guards.

The Armenian side had to take counter measures.

Agreement on Stationing of Russian Troops Discussed

NC1805130594 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0713 GMT 18 May 94

[Text] Yerevan ("LRAGIR", "AZG" dailies), 05/18/94—Russian Defense Minister Pavel Grachev declared on 16 May, an agreement was reached on stationing the Russian peace-keeping forces in the region, starting from 24 May. Nevertheless, the Azeri Defense Minister has been refusing to sign this agreement till late evening. According to reliable sources, signing the agreement was postponed till 1000 on 17 May. The Azeri representative didn't come to this meeting, having left for Baku during the night, without notifying the sides. Political experts believe, the departure is related with aggravation of political situation in Azerbaijan, as opposition parties threatened to start political actions, if the agreement is signed.

Russian President's Special Envoy Vladimir Kazimirov left to Baku on the same day. It's hard to guess whether Kazimirov will be able to persuade Azerbaijan in necessity of Russian presence, but he has declared several times that Russian forces will enter the conflict zone only if all sides agree with this.

Reliable sources report, CSCE Minsk group chairman went to Moscow to participate in this meeting, but wasn't allowed doing so.

We would like to remind that the Russian project stipulates a withdrawal of forces without preconditions in three days after a cease-fire is established. According to this project, troops will be introduced to Zangelanskiy and Dzhebrailskiy districts; regular police forces will be stationed in Agdamskiy and Fizulinskiy. Blockade is to be lifted only after the Armenian forces are withdrawn from Kubatlinskiy and Kelbadzharskiy districts.

At the same time "AZG" reports, the Azeri representatives asked to postpone their decision till 2400 on 17 May, and refused to sign the document when the time came. Baku radio reported that the Azeri delegation didn't have the power for signing such an agreement. This information is confirmed by Russian "Novosti" TV program which said, there were two hindrances to the agreement. First is the Armenian demand to recognize Mountainous Karabakh as a side of the conflict and second, Azeri side not being empowered to sign the agreement. According to Novosti, the Azeri side declared yesterday they have no such power, and left to Baku for additional consultations. At the same time "Azatutyun" radio reported, after preliminary talks to the Azeri side Armenians have got the impression that

Azerbaijan is ready to discuss the status of Mountainous Karabakh earlier than planned, ie immediately, after a cease fire is established.

Voter Apathy Marks Yerevan Parliamentary Elections

94P50143 Yerevan GOLOS ARMENII in Russian 17 May 94 p 1

["FAKT" report under the "Yesterday and Today" column: "And Still No Voters..."]

[Text] The 15 May elections for vacant seats in the Supreme Soviet of the Republic of Armenia were marked by extreme voter passivity. At electoral district No. N59 of the city of Yerevan at 1300 hours only 48 of the 4800 voters had voted, and at electoral district No. N13 only 561 of the 10,000 registered voters showed up. No elections took place in electoral district No. N8 of the city of Yerevan where only one candidate was registered, and he withdrew his candidacy a day before the elections.

Postponement of Aliyev's Georgia Trip, Guliyev Move Seen

NC1905061394 Yerevan SNARK in English 1314 GMT 18 May 94

[Text] Baku, 18 MAY (SNARK)—The Azeri President Geydar Aliyev's visit to Georgia, which had to take place today is postponed. Sources in Baku refrain from commenting on the reasons of the visit's abolition.

The observers say, Aliyev was obliged to postpone his visit because of the aggravation of the internal situation in Azerbaijan. It is due to the adoption by Azerbaijan of the Bishkek protocol and the possible signing of the Moscow agreement on the Karabakh conflict's settlement.

In connection with this, the Azeri opposition forces will try to obtain the abolition of the "disgraceful for Azerbaijan" Bishkek protocol during the today's session of the Milli Majlis.

Meanwhile, the speaker of Parliament Rasul Guliyev, signed the Bishkek protocol and roused the opposition's range, came out the other day in support of the Milli Majlis dissolution. He said rejecting the Russian peaceful initiative the Parliament is going against the national interests of the Azerbaijani people.

Trade Minister's Detention 'Obvious Provocation'

PM1805160194 Moscow IZVESTIYA in Russian 18 May 94 p 4

[Report by Sergey Bablumyan: "The Armenian Trade Minister Was Sent to a Detention Center, But He Returned to His Office"]

[Text] Yerevan—Armenian Trade Minister Tigran Grigoryan, who was arrested last week, was released two days later, but he has no intention of making out that nothing happened.

In conversation with IZVESTIYA's correspondent he described how he was arrested.

"A few minutes before the start of a collegium session an unfamiliar man entered my work office and, referring to the fact that he had suffered at the time of the Chernobyl tragedy, demanded that I issue a license to trade in alcoholic beverages. I did not even have time to tell him to whom and where it is necessary to apply in such cases, before a second stranger burst into the room and placed a pile of dollars on the table. 'This is a bribe,' he explained, and left equally suddenly. Without touching the money, I at once asked my assistant over the intercom to detain the rogues, but militia personnel had already entered the office and ordered me not to move. You would have to be very naive not to see an obvious provocation in what happened. There can be no doubt that the 'cooperators' were agents of the Ministry of Internal Affairs. But I still cannot understand who needed to make precisely myself the hero of such a comedy or why. I am simply obliged to see this matter through to the end, and I expect answers to all my questions."

It would, of course, be a great exaggeration to allege that ministers are jailed in Armenia almost every week. At the same time the official authorities make no comment at all on such happenings, even the most recent. In the conversation with IZVESTIYA's correspondent the trade minister found it hard to explain why the government, of which he is a member, did not issue an appropriate statement right after his arrest and still continues to maintain silence.

Meanwhile, as Armenia's general prosecutor declared, the minister was arrested without his approval, and there are no grounds for charging Tigran Grigoryan. An investigation is still continuing, however, and this alone will be able to dot all the "i's." But for the time being people will go on whispering for a long time behind the back of the minister, who has been defamed before the whole world.

Border Trade With Iran To Begin 11 Jun

NC1905064094 Yerevan SNARK in English 1454 GMT 18 May 94

[Text] Yerevan 18 May (SNARK)—Border trade between Armenia and Iran will begin since June 11.

The Armenian President's Press-Service told SNARK such agreement had been reached during a meeting between representatives of two states.

There were also discussed questions of simplifying the border crossing regime, intensifying the building of the bridge over Araks border river and regulation of the customs problems.

The head of the Armenian delegation Gagik Garutunyan got acquainted with the course of the bridge's building and viewed the place, intended for the border trade.

Azerbaijan

Cease-Fire Not Signed Due to 'Shortfalls' in Document

LD1805122694 Moscow ITAR-TASS in English 1137 GMT 18 May 94

[Report by ITAR-TASS correspondents Sevindzh Abdullayeva and Viktor Shulman]

[Text] Baku 18 May TASS—Azerbaijan's Defence Ministry has released a statement explaining that Azerbaijan did not sign the protocol on ceasefire and the disengagement of the warring parties in the zone of conflict between Armenia and Azerbaijan, the main clauses of which had been agreed at the meeting of the defence ministers of Russia, Azerbaijan, and Armenia on 16 May, because of separate shortfalls in the document.

The statement stresses that expert groups in every country, party to the agreement, continue to work on the document. The press service of the Azeri Defence Ministry does not rule out that a trilateral meeting of the defence ministers will meet in Moscow again after this work is completed.

Karabakh Area 'Calm'; Breakdown of Talks Regretted

LD1805131794 Moscow ITAR-TASS in English 1236 GMT 18 May 94

[Report by ITAR-TASS correspondents Vadim Byrkin and Tigran Liloyan]

[Text] Stepanakert 18 May TASS—The situation in the area of the Karabakh conflict remains calm. The warring sides have refrained from active combat operations over the past three days. Last night and on Wednesday [18 May] morning the Karabakh Army was shelled from three directions. Three servicemen were wounded. No fire was opened in retaliation, ITAR-TASS learned from the press service of the Karabakh Defence Army.

The Russian initiative to deploy disengagement troops and international observers in the zone of the conflict has been received with understanding in Stepanakert which is pinning great hopes on this initiative to attain peace. In an interview with ITAR-TASS acting chairman of the Nagorno-Karabakh parliament Karen Baburyan voiced regret over the breakdown of the Moscow talks. He believes that "Azerbaijan showed again that it is not a supporter of peaceful settlement of the problem since when it comes down to signing any documents or agreements the Azeri sides torpedoes the peace-keeping process." No official statements were made by Karabakh officials yet.

At the same time, an ITAR-TASS correspondent reported from Yerevan that on Tuesday night the Azeri side violated a ceasefire agreement on Armenia's southern border. According to the Armenian Defence Ministry, Azeri troops opened mortar and submachine gunfire at Armenian positions from the territory of the Nakhichevan Autonomous Region near the border settlement of Yeraskhvan of the Armenian Ararat region, which continued from 2030 until 0100 Wednesday. Casualties were reported.

According to a representatives of the Defence Ministry, the Armenian side had to open fire in retaliation. Official sources said that in other areas of the Armenian and Azeri border the situation was calm. No incidents were reported.

'Comparative Lull' in Zone of Hostilities

NC1805194194 Baku AZERTAC in English 1620 GMT 18 May 94

[Text] Baku, 18 May (AZERTAC)—A comparative lull is maintained in the zone of hostilities, the Azerbaijani Defence Ministry reported today. However, the Azeri Army's positions have come under the mortar and tank fire in some sectors of the front. Thus the village of Sadarak in the Nakhichevan Autonomous Republic was shelled last night. One soldier was injured. According to the Defence Ministry, the Azerbaijani Army has not yet opened retaliatory fire, thus proposing the Armenians to observe the truce.

Defense Ministry Working on 'Unfinished' Cease-Fire Pact

NC1805190194 Baku AZERTAC in English 1638 GMT 18 May 94

[Text] Baku, 18 May (AZERTAC)—"The agreement, main principles of which was discussed at the meeting held by the defence ministers of Russia, Azerbaijan and Armenia in Moscow on the 16th of May, on cease-fire and withdrawal of the belligerent's troops has not been signed just because of some unfinished items of this document," the Azerbaijani Defence Ministry stated today. The parties' experts are continuing their work on the document. According to the Azerbaijani Defence Ministry, tripartite meeting of the three countries defence ministers will be held in Moscow as soon as the experts have finished their work.

Aliyev Meets With CSCE Mission

944K1246A Baku BAKINSKIY RABOCHIY in Russian 17 May 94 p 1

[AZERTADZH report: "New Stage in Resolution of the Conflict: Special CSCE Mission in Baku"]

[Text] Urgent matters connected with a resolution of the Armenian-Azerbaijani conflict and the elimination of its consequences were discussed at a meeting between Geydar Aliyev, president of Azerbaijan, and Jan Eliasson, chairman of the CSCE Nagornyy Karabakh Minsk Group, his deputy Matias Mosberg, and Vladimir Kazimirov, ambassador at large of the Ministry of Foreign Affairs of the Russian Federation and plenipotentiary representative of the president of Russia.

The present meeting in Baku essentially signifies, in the opinion of the head of the Azerbaijani state, the start of a new stage in a settlement of the conflict. He believes that the Minsk Group of the CSCE has as of late enlarged the scope of its activity and has been adopting a more realistic approach to the possibilities of a resolution of the problem, relying on the efforts of all its member countries. There was a positive assessment here of the interaction of the CSCE Minsk Group and Russia, specifically this country's Foreign Ministry, aimed at a resolution of the conflict. According to the president of Azerbaijan, "this may be considered a new qualitative level of the peacemaking process."

As Geydar Aliyev emphasized, there is no more important aim currently than a search for the most acceptable resolution of this complex problem. He expressed confidence that all interested parties would act in this direction. The president shared the opinion of Jan Eliasson and Vladimir Kazimirov concerning the importance of a cease-fire as an indispensable condition of the settlement process. "I believe that a cease-fire should be followed by specific practical actions which culminate in the immediate withdrawal of the Armenian armed formations from the occupied territories and the implementation of the program specified in CSCE documents," the head of the Azerbaijani state noted, in particular. He expressed the conviction that these stages should be continuous. Only in this case can, in his opinion, real results in a settlement of the conflict be achieved.

Geydar Aliyev evaluated Azerbaijan's signing of the Bishkek Protocol, which has been greeted ambivalently in the Republic, as a "correct step" leading to a cease-fire and the creation of the conditions for the realization of active practical measures to achieve long-term and stable peace in the region. The basis for this exists, he maintained, things are quiet currently in the conflict zone. It is now a question, he emphasized, of consolidating this achievement with the assistance of international observers, who should put under supervision the processes of demilitarization and the withdrawal of the forces of occupation. This, the president of Azerbaijan observed, would give everyone confidence in the irreversibility of the peacemaking process.

Minsk Group Chairman Jan Eliasson, who spoke at the meeting, declared that a settlement of the Armenian-Azerbaijani conflict at its present, highly dramatic, stage would require the exceptional and swift actions of all interested parties. According to him, there is a great risk of the wrong path being taken. At the same time the opportunities for the adoption of serious and important decisions are just as significant, but this, the diplomat believes, presupposes the unification of all peacemaking efforts.

As Jan Eliasson emphasized, it is essential to do two things—achieve and consolidate a cease-fire and establish international observers' supervision of observance of the armistice process. The chairman of the Minsk Group announced that last week he had had a "good meeting" with Andrey Kozyrev, minister of foreign affairs of Russia, and Vladimir Kazimirov, ambassador at large of the Ministry of Foreign Affairs of the Russian Federation, on the creation of a "joint monitoring structure."

We are even now, Jan Eliasson declared, practically prepared to send to the conflict zone the first small group of international observers. When, however, official opportunities are afforded, we can then, he observed, track the sequence of the peacemaking process.

At the same time the chairman of the Minsk Group emphasized that he had to be sure that the process, once begun, would not be frozen in the cease-fire phase. Having cited phased progress as the main principle of the settlement process, the diplomat emphasized the need for "strong connections" between each stage, in the form, for example, of a timetable for the withdrawal of the troops or the elaboration of confidence-building measures. He had the day before, he said, obtained in Vienna the "full blessing" of the CSCE for the continuation of actions to achieve peace in the zone of the Armenian-Azerbaijani conflict. Jan Eliasson also informed the president of Azerbaijan of his New York meetings in the UN Security Council and with the secretary general of the community of nations, at which ways of achieving peace in the region were discussed.

Vladimir Kazimirov, plenipotentiary representative of the president of Russia for a peace settlement in Nagornyy Karabakh, evaluated today's meeting as a very important event. It is no accident, therefore, he stressed, that the attention of the world community and all people of good will interested in an end to the Armenian-Azerbaijani conflict is focused on it at this time.

As the ambassador maintained, the "risks of peace" are being weighed at this time. "And it is essential to reduce these risks to a minimum, the prospect of a continuation of the bloodshed should be jettisoned, in any event," the diplomat emphasized.

Vladimir Kazimirov expressed satisfaction that preference had been given the concept whereby the peacemaking process begins with a cease-fire. And this, he believes, is dictated not only by humanitarian, but also

practical considerations since it would be difficult otherwise to resolve the problems that have built up over six years of the conflict. The main thing now, he observed, is to prevent the detachment of the cease-fire and the cessation of hostilities from the next stage, that is, to prevent a freezing of the situation. "We need to ensure the integrity of the settlement process, and a precise sequence of actions must be not a promise but the dependable undertaking of all parties to the conflict," the ambassador at large emphasized. In his view, this could be secured by a strong political agreement, which would require the parties to observe it and on which the world community could count with a certain degree of confidence."

According to Vladimir Kazimirov, the main purpose of the Russian side as a mediator is to contribute to not so much a rapid as a dependable settlement of the conflict.

Rasul Guliyev, chairman of the Supreme Council of Azerbaijan, State Councillor Vafa Gulizade, Minister of Foreign Affairs Gasan Gasanov, Nizami Bakhmanov, leader of the Azerbaijani community of Nagornyy Karabakh, and Azerbaijani and foreign diplomats took part in the meeting.

Upon the conclusion of the negotiations the CSCE mediating mission left for Yerevan.

Opposition Mounts To Signing Peace Agreement

MK1905095694 Moscow NEZAVISIMAYA GAZETA in Russian 19 May 94 p 1

[Report by Aydyn Mekhtiyev in the "Azerbaijan" column: "Heydar Aliyev Has Found Himself in a Difficult Situation. What Is the Fate of the Moscow Plan for a Karabakh Settlement?"]

[Text] The unexpected finale of the two-day negotiations in Moscow between the defense chiefs of Azerbaijan, Armenia, and Nagorno-Karabakh with the Russian Federation Defense Ministry's mediation has given rise to various forecasts about the future of the Russian peace plan. Some tend to believe that the refusal by the Azerbaijan delegation to sign the final protocol means nothing but yet another failure of the talks, while others predict confidently that Baku at any moment will accede to the document, which has already been signed by the Armenian side.

The conflicting statements by the negotiating parties also fail to clear up the situation that has emerged. Thus, Col.-Gen. Georgiy Kondratyev, Russian Federation deputy defense minister, said that Azerbaijan Defense Minister Mamedrafi Mamedov had no authority to sign the protocol, although Mamedov himself does not think so. "I had full authority to sign the final protocol," he stated, "but I did not do so only because some questions called for additional study." The minister nonetheless did not specify which of the protocol provisions appeared dubious to the Azerbaijan military.

As NEZAVISIMAYA GAZETA's correspondent was advised by an informed source, overnight on 17 May Mamedrafi Mamedov had a lengthy telephone conversation with Azerbaijan President Heydar Aliyev who ordered him urgently to return to Baku for a detailed discussion of the possible implications of signing the Moscow protocol. The piquancy of the situation is that a day before, on 16 May, Mamedov gave no indication that he might not sign the final document. This prompted Russian Defense Minister Grachev to announce that Moscow's plan was fully approved by the sides.

The somewhat strange behavior by the Azerbaijan defense department chief can be apparently attributed to the fact that the negotiations in Moscow took place amid a sharp aggravation of the internal political situation in Azerbaijan. Nearly all political forces in opposition to the present powers charged Parliament Speaker Rasul Guliyev, who had earlier signed the Bishkek protocol, with high treason and demanded an urgent convocation of a parliament (milli mejlis) session. Last Saturday Rasul Guliyev, appearing on national television, sharply criticized the opposition and warned it against any attempts to destabilize the situation in the country. The parliament speaker's position however was exacerbated by the fact that disapproving assessments of his performance were also made within the presidential team itself.

According to information obtained by NEZAVISIMAYA GAZETA's correspondent from confidential sources, some influential people who shape the republic's foreign policy told the president that the parliament speaker had exceeded his powers by signing the Bishkek protocol. Furthermore, they warned President Aliyev that they might resign in the event that Defense Minister Mamedrafi Mamedov signed the Moscow protocol on 17 May, giving the "go ahead" to the introduction of Russian troops into Azerbaijan.

Therefore Heydar Aliyev has been confronted with a complex dilemma: Either to ignore the warnings from a number of his close associates over the possible negative effects of signing the Moscow protocol or to opt for a stalling tactic in order to make a final choice. As can be seen, the president has chosen the second. He had to postpone indefinitely his official visit to Georgia's capital which was to have begun on 17 May. In the past few days the president has been holding tense consultations with members of his team and also trying to reconcile the supporters and opponents of the Moscow protocol. The division in the presidential team over the upcoming introduction of Russian troops to Azerbaijan is indirectly confirmed by the admission of President Aliyev's adviser that "neither the president nor the foreign minister has seen the document now being discussed in Moscow" and therefore there can be no question about a speedy signing of the Moscow protocol.

An informed source in the republic's Foreign Affairs Ministry stressed that Azerbaijan's foreign policy department does not support the position of the defense minister and the parliament speaker who advocate the signing of the Moscow protocol. The Foreign Affairs Ministry leadership is trying to convince Aliyev that the peace-keeping forces should be introduced into the conflict area only within the CSCE framework. "It is not known just how Russian generals will behave in the absence of oversight by international observers over the actions of Russian troops in the region," a source in the Foreign Affairs Ministry told NEZAVISIMAYA GAZETA's correspondent.

Vladimir Kazimirov, the Russian Federation president's special envoy who arrived in Baku, has been trying in the past few days to persuade President Aliyev to support the position of Azerbaijan's parliament and Defense Ministry leadership on the issue of accession to the 17 May Moscow protocol. At the same time the National Assembly met in session on the morning of 18 May in Baku, where demands were heard to annul Azerbaijan's signature under the Bishkek protocol and to prevent the signing of the Moscow protocol. As NEZAVISIMAYA GAZETA was going to press it was not yet known which decision was made.

'High-Ranking Officials' Order Closing of BMTI TV Station

NC1705150294 Baku TURAN in English 0921 GMT 17 May 94

[Text] Baku, 15 May (TURAN)—On 15 May, at midnight, the broadcasting of the independent television, BMTI, was stopped.

On 14 May in the evening, the owner of the television company, President of Gunay company, the Chairman of Azerbaijan's Democratic Party of Businesspeople, Makhmud Mamedov, addressed viewers on television.

He said that recently, such high-ranking officials in the country such as Rasul Guliyev, State Advisor for Humanitarian Matters, Gabil Guseinli, and the Chairman of State Television company "AzTV," Babek Guseinoglu, have been making attempts to close television company BMTI.

The head of the television company called the authorities' activities illegal. "BMTI concluded an agreement with the Ministry of Communication concerning the lease of the television-channel for 25 years and paid the 1994 rent," said Mamedov.

The independent television company BMTI began broadcasting in summer 1993. Other independent companies were not permitted broadcasting time for various reasons.

Russian Citizenship Deadline to Extend, Official Says

MK1705125694 Moscow NEZAVISIMAYA GAZETA in Russian 17 May 94 p 3

[Unattributed report under the "NEGA Reports" rubric]

[Text] The number of Azerbaijan's citizens applying to the Russian Federation Embassy's consular office for Russian citizenship has grown. The population's worry has been caused by the fact that the validity of a simplified procedure, under the law "On Russian Federation Citizenship," for acquiring citizenship is expected to end soon—in February 1995, as has been announced.

Oleg Boyko, first secretary of the Russian Embassy in Azerbaijan and head of the consular office, has advised that the deadline will be extended by a special edict. He has served a reminder that the simplified registration rule only applies to those who originally come from Russia. Besides, persons moving to Russia for permanent residence can register their citizenship with internal affairs bodies of the Russian Federation after they have decided on their new place of residence in accordance with the law.

Georgia

Russian Peacekeeping Troops Attacked in S. Ossetia

LD1805154494 Moscow ITAR-TASS in English 1450 GMT 18 May 94

[Text] Tbilisi May 18 TASS—The headquarters of the Russian peace-keeping troops in Tskhinvali, South Ossetia, was attacked last night, the press service of the Russian Defence Ministry quoted reports from the headquarters as saying on Wednesday.

A group of about 20 people attacked the headquarters at 3 a.m., using a grenade launcher, a large-caliber machine-gun and sub-machine guns. The assailants arrived in three UAZ jeeps.

The attackers had to retreat to the village of Tzunari after Russian soldiers fired in retaliation. No casualties or damage were reported.

Estonian Delegation Arrives on Visit

LD1805180494 Tbilisi CONTACT INFORMATION AGENCY in Russian 1530 GMT 18 May 94

[Text] The press service of the Ministry of Foreign Affairs of the republic of Georgia reports that on 18 May, a delegation of the Ministry of Foreign Affairs of Estonia led by the vice chancellor of the Ministry of Foreign Affairs of Estonia, Raul Malk, arrived in Georgia on a working visit.

Estonian guests will meet leadership of the Ministry of Foreign Affairs of the Republic of Georgia with the aim of discussing issues of wide spectrum concerning the development of Georgian-Estonian relations and the general situation in the Transcaucasus.

The two sides will discuss the draft governmental agreement between Estonia and Georgia on economic cooperation and the process of reforms in both of the states.

Spanish Foreign Ministry Delegation Arrives

LD1805131094 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 18 May 94

[Text] The Georgian Foreign Ministry's press service told the CONTACT news agency that a delegation of the Spanish Foreign Ministry, led by (Raul Minaus), vice chancellor of the Foreign Ministry, arrived in Georgia today on a working visit.

The Spanish delegation will meet with leaders of Georgia's Ministry of Foreign Affairs. The sides will discuss both Spanish-Georgian relations and a wide spectrum of issues connected with the situation in the Transcaucasus. (?Preparation) of the draft governmental agreement on economic cooperation between the two countries is also planned. The economic situation and the course of reforms in Spain and Georgia will be discussed together with the issues connected with cooperation between the two countries' foreign ministries.

Shevardnadze Appoints Control Chamber Deputy Chairman

AU1805153894 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 13 May 94 p 1

["Edict of the Georgian Head of State on the Appointment of D. Asatiani as Deputy Chairman of the Republic of Georgia Chamber of Control" issued in Tbilisi on 11 May]

[Text] To appoint **Davit Asatiani,** head of the Republic of Georgia Chamber of Control Internal Departmental Control and Special Assignments Office, also as deputy chairman of the Republic of Georgia Chamber of Control.

[Signed] **E. Shevardnadze.**

Tbilisi, 11 May 1994.

Parliament Appoints Two Commission Chairmen

AU1805154294 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 11 May 94 p 1

[Decrees by the Georgian Parliament on the appointment of Parliament commission chairmen issued in Tbilisi on 10 May]

[Text] **Decree of the Georgian Parliament on the Appointment of Teimuraz Kopaleishvili as Chairman of the Georgian Parliament Finance and Budget Commission**

The Georgian Parliament **decrees:**

To appoint **Teimuraz Kopaleishvili** as chairman of the Georgian Parliament Finance and Budget Commission.

[Signed] **Rusudan Beridze, deputy speaker of the Georgian Parliament**

Tbilisi, 10 May 1994.

Decree of the Georgian Parliament on the Appointment of Mevlud Tsiklauri as Chairman of the Georgian Parliament Commission for Economic Questions

The Georgian Parliament **decrees:**

To appoint **Mevlud Tsiklauri** as chairman of the Georgian Parliament Commission for Economic Questions.

[Signed] **Rusudan Beridze, deputy speaker of the Georgian Parliament**

Tbilisi, 10 May 1994.

Privatization Proceeding 'Slowly' in Tbilisi

AU1805114994 Tbilisi SVOBODNAYA GRUZIYA in Russian 10 May 94 p 3

["BS-PRESS" report under rubric "According to Reports From Correspondents and Information Agencies": "A New Stage of Privatization Is Beginning"]

[Text] Until now, 50 of the 300 commercial facilities in Tbilisi have been privatized and of these, half have been partly privatized. The privatization of enterprises is proceeding slowly, said Tbilisi Mayor Niko Lekishvili in an interview to a BS-PRESS correspondent. The situation is better regarding the privatization of living accommodations, 50 percent of which have been privatized; the process of legalization is continuing.

A new stage of privatization is beginning in the Georgian capital, so-called "large privatization" that affects a number of large enterprises and commercial facilities, stated Niko Lekishvili. The corresponding decree of the head of state has been prepared and the process will begin very shortly. The question of purchasing facilities that are to be privatized in freely convertible currency so as to prevent the budget from incurring damage due to inflation is being discussed in the corresponding departments.

The mayor of Tbilisi stated that one of the obstacles to privatization was the position occupied by a number of ministries and departments that were not interested in developing privatization and were hindering it.

Poll Conducted on Joining CIS

AU1805141994 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 10 May 94 p 2

["Opinion Poll for SAKARTVELOS RESPUBLIKA"]

[Text] What governed your view that Georgia should join the CIS?

Documents signed with CIS countries—12.1 percent;
The experience of relations between Georgia and the CIS—17.7 percent;
Georgia's experience of being part of the USSR—24.4 percent;
I could not see any other alternative—33.2 percent;
Difficult to say—12.6 percent.

The poll was conducted for SAKARTVELOS RESPUBLIKA by the "Inform Service" on 22-24 April.

Poll Shows Majority Unaware of CIS Summit Results

AU1805141894 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 10 May 94 p 2

["Opinion Poll for SAKARTVELOS RESPUBLIKA"—figures as published]

[Text] Are you aware of the documents that were signed at the summit of CIS leaders in Moscow [on 15 April]?

Yes—20.9 percent
No—57.1 percent
Difficult to say—22.8 percent

The poll was conducted for SAKARTVELOS RESPUBLIKA by "Inform Service" on 22-24 April.

Poll Shows 69 Percent of Population 'in Need'

AU1805120994 Tbilisi REZONANSI in Georgian 10-11 May 94 p 5

[Results of opinion poll under rubric "Business/Finance": "Sixty-Nine Percent of Georgia's Inhabitants Believe They Are Living Below the Poverty Line"]

[Text] In order to determine the population's level of income the Georgian Socioeconomic Information Committee conducted an opinion poll among 1,500 residents in the republic at Easter. The results of the poll showed that 27 percent of the respondents had a monthly income of 100,000 coupons; 28 percent—300,000 coupons; 17 percent—between 300,000 and 500,000 coupons; 11 percent—between 500,000 and 1 million; 8 percent—between 1 and 5 million; 3 percent—between 5 and 15 million; 5 percent—15 million and more. Of those polled, 69 percent stated that they were living in need, 24 percent that they considered their standard of living to be average, while 7 percent viewed their standard of living to be high. At the same time, according to calculations made by specialists, the minimum price of the monthly food basket in the republic amounted to 12.7 million coupons per head while the poverty line for a family was set at 25.7 million coupons. The rate of exchange of the coupon to the ruble is 500:1.

Electric Power Line Blown Up in Abkhazia

LD1805172394 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 18 May 94

[Text] The situation remains tense on the border between Georgia and Abkhazia. Last night, an electric power line was blown up in the Gali Rayon of Abkhazia. As a result, half of the republic's territory was left without electricity. The authorities in Sukhumi believe that Georgian saboteurs are to blame.

Moreover, the Georgian Army has still not received the command to withdraw its troops from the line of contact with the Abkhazian formations. I will remind you that a security zone is to be set up here, which is provided for in the agreement signed in Moscow between Tbilisi and Sukhumi.

Estonia

Vote of No Confidence in Prime Minister Discussed

Laar Quoted at News Conference

WS1805112894 Tallinn ETA in English 0810 GMT 18 May 94

[From 18 May PAEVALEHT, EESTI SENUMID, POSTIMEES, RAHVA HAAL, pp 1-3: "News Bulletin" No. 95/94]

[Text] The predicted vote of no confidence to Prime Minister Mart Laar was canceled as the National Independence Party (ERSP) demanded that its ministers did not require the linking of the vote on state guarantees to a foreign loan to a vote of no confidence.

Laar told the news conference that he had asked the cabinet members about the vote, but nobody had wanted to raise the issue. Laar did admit that "some politicians" have a desire to reorganise the government, but he described it as a demolition, rather than rearrangement of the cabinet. "I would not dare to term it a press speculation, since the matter was too serious," Laar told the conference. He called for the dissatisfied "Fatherland"-appointed ministers to discuss their objections with the ruling coalition factions.

The "Fatherland" faction made a statement yesterday declaring that any attempts to force the premier to resign would cause great political harm to Estonia in the present situation.

A cabinet session will be held today, according to Social Minister Marju Lauristin. She declined from elaborating on the agenda of the session.

Independents Seek Laar Resignation

WS1905102194 Tallinn BNS in English 1947 GMT 18 May 94

[Text] Tallinn, May 18, BNS—The chairman of the Independents faction in the Estonian parliament, Jaanus Raidal, in an interview with BNS today said it was high time for Prime Minister Mart Laar to resign.

"It's absolutely clear that if the government's affairs are not going well, the prime minister himself would resign. A political government coalition is strong only if it finds a new suitable person from among its members for the prime minister's office," Raidal said.

The parliament faction of the governing coalition's senior party, Pro Patria, at a meeting today voted in favor of a proposal by Prime Minister Mart Laar to dismiss Defense Minister Indrek Kannik. Laar has said that Kannik's activity fails to fall in line with the government's majority.

Kannik at a meeting of the Cabinet later in the day is expected to propose the resignation of Laar's Cabinet as a whole. Kannik received considerable support for his proposal at a meeting of the Pro Patria party council today.

Raidal, and independent MP, called the prime minister's move to dismiss Kannik "unethical."

He predicted that Laar will have to leave his office as prime minister at least by September.

"Even if today brings no solution for the issue, it will happen in the near future," Raidal said.

Laar Deems Situation 'Intolerable'

WS1905101994 Tallinn BNS in English 1638 GMT 18 May 94

[Text] Tallinn, May 18, BNS—Estonian Prime Minister Mart Laar in an interview with BNS today declined to comment on the reasons why the Pro Patria party faction in the parliament today had decided to seek the discharging of Indrek Kannik from the post of the Defense Minister.

"I'd rather talk about it tomorrow, after we have discussed the issue also in the government," Laar said.

Tonight's Cabinet meeting is not connected with the dismissal of Indrek Kannik from the office of the defense minister, the premier said. "This meeting was called already before the Pro Patria started to adopt its decisions," Laar said. But he also mentioned that the situation had become "intolerable." "Now the Pro Patria faction has made its decisions," Laar said.

Answering a question if it was possible that Pro Patria might split if Kannik and some of his allies were defeated in the current power struggle, Laar said he considers such development of the affairs a very regrettable prospect.

"One of the main objectives of my activity in the last half year has been to avoid such conflicts," the prime minister said. He added that although he had tried avoid a conflict, "each thing has its limits and now these limits have been reached."

The prime minister declined to say whether he had plans to make other changes in the Cabinet apart from Kannik's dismissal.

Laar said he had not delivered to the president a formal proposal to dismiss Kannik. He said he is going to formally seek the president's approval for the replacement after the Cabinet has approved the decision made by the Pro Patria faction.

Sinissar Deems Changes 'Necessary'

WS1905095294 Tallinn ETA in English 1749 GMT 18 May 94

["News Release"]

[Text] The ruling Fatherland Party parliamentary faction agreed, on Wednesday [18 May], to Prime Minister Mart Laar's proposition to dismiss Minister of Defence Indrek Kannik, while the board of the Fatherland party decided to make a proposition to the government to resign.

Head of the Fatherland parliamentary faction Tiit Sinissar told ETA that the prime minister considered it necessary to make some changes in the composition of the government to increase the stability and working ability of the government. One of the means was to change the defence minister with whom the Prime Minister has had most of disagreements with. Sinissaar said that the agreement on the decision was quite unanimous by the faction. "There is no question of splitting up of the faction, only some fractions might depart," Sinissaar stated.

The board of the Fatherland party, however, decided at its emergency session on Wednesday to make a proposition to the government to resign, stating differences of opinion that have created tension in the government as the reason.

Member of the board of the party Mart Nutt told ETA that the decision was not directed against any definite person in the government, but was to be considered as a step to solve tensions in the government. Nutt stressed that the decision of the board of the party was not binding to the government. The position of the parliamentary faction is what counts but the faction has not yet discussed the problem, Nutt said.

The parliamentary faction of the Fatherland Party made a statement later on Wednesday, saying that the proposition made by the emergency meeting of the board of the Fatherland Party, to the government to resign, came as a "surprise for the faction." The faction states that such propositions are not a matter of any party or its board—the nomination and withdrawal of a government is, according to the constitution, in the parliament's authority. "The position of the Fatherland Part parliamentary faction is that the government has to continue its activities," the statement says.

The government is to hold an emergency meeting tonight.

Government Holds Emergency Session To Consider Resigning

LD1805200894 Moscow ITAR-TASS in English 1922 GMT 18 May 94

[By ITAR-TASS correspondent Albert Maloveryan]

[Text] Tallinn May 18 TASS—The Estonian Government went into an emergency meeting at 21:00 local time [1800 GMT] on Wednesday to consider the possibility of resignation.

A proposal to dissolve the current government and to form a new one was moved by the party Isamaa (Fatherland), the major one in the government coalition.

According to Defence Minister Indrek Kannik, the main reason for the cabinet's possible resignation is internal differences between government members. Kannik himself was asked a few hours before to step down as defence minister by Mart Laar, Estonia's prime minister and Isamaa leader.

Not Resigning; Changes Expected

LD1905092094 Moscow ITAR-TASS World Service in Russian 0737 GMT 19 May 94

[By ITAR-TASS correspondent Albert Maloveryan]

[Text] Tallinn, 19 May (ITAR-TASS)—The Mart Laar government is not going to resign. That is the outcome of an emergency session of the cabinet which went on through the night. The main reason for the resignation issue being put on the agenda is contradictions within the government and differences between the prime minister and certain Cabinet members.

The government crisis, which was smoldering like a fire under the ashes, flared up yesterday when it became known that the board of the ruling Fatherland [Isamaa] party decided to recommend the government's resignation. This decision was opposed by the parliamentary party and other members of the ruling coalition—the National Independence Party and the Liberal Democrats.

The Cabinet will be continuing with different members. So far it is reliably known that Defense Minister Indrek Kannik has resigned—at the prompting of the head of government—as well as Justice Minister Kaido Kama, who decided to leave his post of his own volition. According to Kama, no fewer than five other ministers will be leaving the Cabinet. Social Affairs Minister Marju Lauristin believes this figure to be a little high.

Five Ministers Reportedly To Resign

LD1905062094

[Editorial Report] Moscow Mayak Radio Network in Russian at 0522 GMT on 19 May carries a live report by correspondent Heimar Lenk from Tallinn on the government crisis in Estonia. Reception is good.

Lenk says: "Late in the evening the government gathered for an emergency closed sitting. I can tell you that at this moment the Fatherland Party government is still in power in Estonia. However, the party, which has been in power the past year and one-half, has an exceptionally low popularity level among the public. It has been reported that five ministers tendered their resignation at last nights meeting."

President Meets With Visiting U.S. Defense Team

WS1805133694 Tallinn BNS in English 1137 GMT 18 May 94

[Text] Tallinn, May 18, BNS—Estonian President Lennart Meri had a meeting on Tuesday [17 May] with U.S. Assistant Secretary of Defense Charles Freeman, on a visit to Estonia.

Also present at the meeting were U.S. Ambassador Robert C. Frasure, the commander in chief of the Estonian defense forces, Maj. Gen. Aleksander Einseln, senior officials from the Estonian Foreign and Defense Ministries.

Participants in the meeting contended that Estonia's joining with the NATO Partnership for Peace program as well as setting up the Baltic peacekeeping battalion are factors contributing to the security of the Baltic Sea region and integration of Estonia with the European security structures. The meeting also mentioned it as advisable to work out a joint program for training the Baltic peacekeeping force.

Freeman and the Estonian president spoke about U.S. financial and expert assistance for the dismantling of Russian nuclear reactors at the Paldiski base in Estonia.

President Meri and his wife, Helle Meri, gave a dinner in honor of the U.S. assistant secretary of defense later in the evening.

U.S. Envoy's Claims of Support for Baltic Battalion Noted

WS1805133594 Tallinn BNS in English 1137 GMT 18 May 94

[Text] Tallinn, May 18, BNS—The United States supports the setting up of the Baltic peacekeeping battalion, Charles W. Freeman, U.S. assistant secretary of defense for issues of international security told Estonian leaders yesterday.

Washington will allocate up to 10 million dollars as support for the formation of the battalion, Estonian Defense Minister Indrek Kannik quoted Freeman as saying.

Freeman and Kannik also discussed the opportunities for military cooperation between Estonia and the United States, as well as their working closely under NATO's Partnership for Peace program.

The high Pentagon official had meetings today with President Lennart Meri, Foreign Minister Juri Luik, Defense Minister Indrek Kannik, the country's commander in chief, Aleksander Einseln, and members of the parliament's defense and foreign affairs commissions.

Freeman at a press conference later in the day said the United States has no plans to set up its military bases in the Baltics. He said such a prospect was rather unlikely at a time when America is cutting down the number of its bases abroad. This is not a political decision, but a purely realistic approach, he said.

While commenting on the Estonian-Russian relations, he said the Estonian Government is having at its disposal the possibilities to resolve the existing problems. Freeman said the U.S. Administration supports Estonia's position at the talks with Russia.

Russia ought to understand that Estonia stays in the center of attention of the U.S. President and the government, he said.

'No Technical Problems' Seen in Dismantling Paldiski

WS1805112794 Tallinn ETA in English 0810 GMT 18 May 94

[From 18 May HOMMIKULEHT, RAHVA HAAL, p 3: "News Bulletin" No. 95/94]

[Excerpts] There are no technical problems with the dismantling of the reactors in Paldiski, Energy Minister Arvo Niitenberg declared yesterday. He added that the Russian side has overpoliticised the issue and is using it to exert pressure on Estonia.

Niitenberg, who chairs a four-minister government commission, announced that another commission will be formed to coordinate Estonia's general activities in the liquidation of the Paldiski military base. Russia has not yet announced the starting date and wants to conclude a single agreement on the dismantling and the removal of nuclear fuel. [passage omitted]

Government representative Juri Tikk added that cases of arson have become frequent in Paldiski and three Russians suspected of attempted arson had been stopped at the Russian submariners' training centre last week. The arsonists generally attack buildings turned over to the Estonian authorities, Tikk added.

Laar Regrets Russia's Refusal To Take Part in Conference

LD1805184594 Moscow INTERFAX in English 1552 GMT 18 May 94

[Text] Estonia Prime Minister Mart Laar has said he regrets Russia's refusal to take part in a round-table conference on stability in Europe to be held in Paris on May 26-27 together with the Baltic states. The reports on Russia's refusal were distributed by Reuters Tuesday with reference to Greek Minister for European Relations Theodoros Pangalos.

Laar told Interfax that Russia's step could be viewed as a diplomatic attack intended to obstruct Estonia's integration in such structures as the European Union, West European Union and NATO keeping it within the scope of its influence. Laar pointed to the support rendered by

Western Europe to the Baltic States. France's proposal to discuss Baltic-Russian relations, in the first place border disputes and ethnic issues, and promote their rapid resolution at the Paris conference was another sign of this approach.

"Such a region-wide discussion could create a positive background for the resolution of such issues," Laar was quoted as saying. He hoped that Russia would change its position.

Prime Minister Confers With CSCE Commissioner

LD1805181994 Moscow INTERFAX in English 1552 GMT 18 May 94

[Text] Estonian Prime Minister Mart Laar received Max van der Stoel, the CSCE High Commissioner for Ethnic Minorities, Wednesday [18 May].

Laar told Interfax that he and van der Stoel discussed the application of the Foreigner Act in the country. Lack of progress in this field had come under criticism both in Estonia and abroad. In particular, the European Union had recently expressed its disappointment over delays with issuance of residence and work permits to foreigners.

Laar said that van der Stoel had expressed satisfaction over steps taken recently by government and parliament. In particular, the foreigners who had been registered as residents of the country before July 1, 1990, had been allowed to apply for a permanent permit simultaneously with an application for a temporary permit. Steps are taken to help the foreigners study the state language and obtain exit documents, Laar said.

Amendments for 'Corrections' to Farm Reform Law Drafted

WS1805104094 Tallinn BNS in English 1836 GMT 17 May 94

[Text] Tallinn, May 17, BNS—The Estonian Cabinet at its meeting today approved a draft of amendments to the farm reform law. The step was made in a bid to prepare ground for a revision of the already enacted procedures in places where the government says the reform has meant unrightful transferring of former collective farm property to new owners.

The amendments bill now enters the parliament.

"This bill is very much needed, as it would provide the government with the possibility to 'rewind' the farm reform in some places so that corrections could be made where misprision has been committed during the reform," Laar told reporters.

The prime minister said that although the farm reform had been carried out mostly in compliance with the law, in many cases the laws have failed to prevent malpractice. It is impossible to improve this under the current laws, he added.

Laar said that the draft legislation approved by the Cabinet today had been corrected for several times after examination by the Justice Ministry.

The Cabinet today also discussed a bill on the organization of the farm products market. "The government stated that, generally, such kind of a law is very much needed, but since it fails to properly comply with the rest of the currently valid legislation, it earned no positive assessment," Laar said.

The draft was prepared by the parliament's rural affairs commission.

The government now ordered the Ministry of Agriculture to draw up a new draft law on the same issues.

Halt To Ostankino Broadcasts Incurs Local Cost

PM1805100194 Moscow IZVESTIYA in Russian 17 May 94 p 3

[Leonid Levitskiy report under the general heading "Lithuanian TV Companies Dreaming of Winning 'Ostankino' Channel. Estonian TV Already Paying for Its Closure"]

[Text] Tallinn—Under a government directive the retransmission in Estonia of the last Russian channel—"Ostankino"—has ended. The reason given for the ban is that Russia is not paying for its programs to be shown. But the victory over "Ostankino" has been very costly—communications workers have lost their main source of funds. The government has had to allocate 1,580,000 krooni ($115,000) to meet the expenditure generated by the ending of Ostankino retransmissions.

The communications workers used to receive a much higher rental from Ostankino than they do from Estonian TV and local commercial TV firms. To all intents and purposes Russia had been subsidizing the local TV.

Having now lost their Ostankino hard currency, the communications workers have been forced to set realistic tariffs for state TV and commercial studios. But these are claiming that they are unable to pay in full. The government was then forced to provide compensation out of the budget for some of the former Ostankino subsidies. The Ostankino ban has hit the taxpayer.

Latvia

Foreign Minister: Baltics Support Idea of Stability Pact

LD1805205094 Riga Radio Riga Network in Latvian 1700 GMT 18 May 94

[Text] Acting Latvian Foreign Minister Egils Levits, who today returned from Brussels, reported that Latvia,

Lithuania, and Estonia support the idea of a stability pact, which they regard as an important means of promoting the security of Europe. Levits accentuated some so far unresolved or unclear issues, namely the right of countries involved in the stability pact to choose for themselves the themes for discussion at regional round-table talks, the need to determine that judicially existing borders are accepted, not generally existing borders, as well as to give clarity to the concept of minorities as it relates to the situation in the Baltic countries.

Birkavs Satisfied with Visit to Finland

LD1805175194 Riga Radio Riga Network in Latvian 1700 GMT 18 May 94

[Text] Premier Valdis Birkavs today returned from a three-day official visit to Finland. During the visit, Birkavs met the Finnish premier, president, and parliament speaker. In their bilateral talks they touched on the questions of Finland's participation in the fund for Skrunda and the repatriation of retired Russian military personnel, Latvia's entry into the European Union, and issues of the two countries' economic cooperation. Valdis Birkavs also got acquainted with the work of the Finnish border guards.

[Begin Birkavs recording] We did not sign any agreements. Our relations have entered a period of active cooperation, and I would like to emphasize the words said by several Finnish statesmen: There is satisfaction with the current development of bilateral relations, with Latvia's progress toward the European Union, and with Latvia's action in concluding a treaty that has strengthened Latvia's position as an independent country in Europe. I think that after this visit, cooperation will be considerably activated in several directions. [end recording]

Cabinet Approves Bill on Unemployment Benefits

WS1905102494 Tallinn BNS in English 1553 GMT 18 May 94

[Text] Riga, May 18, BNS—The Latvian Cabinet approved Tuesday [17 May] a bill on obligatory social insurance in the case of unemployment, stipulating to maintain the jobless from a special employment fund.

Both employers and employees must perform obligatory payments into the fund, under the draft law.

The state insures persons at its maintenance, including soldiers in armed service, days students over the age of 15, mothers with children under 3, and inmates of penitentiary institutions.

Persons, for whom the insurance payments have been made, are entitled to allowances for a period of nine months, according to the draft law.

The amount of the allowance depends on the amount of the recipient's average wages over the last six months, as well as on the length of insurance. For example, persons with insurance term of one to one and a half years will receive 50 percent of their average allowance in unemployment allowance.

The allowance payments also depend on the length of joblessness. The allowance is paid fully in the first three months after a person loses job.

Then it gradually reduces to 60 percent of the initial payment but the amount of money paid should not be smaller than 90 percent of the official minimum wages.

State insured persons receive 70 percent of the official minimum wages in unemployment allowance, the bill said.

In another action, the government confirmed the statutes of a Social Insurance Council. The council is designed to draw up recommendations for insurance funds, Welfare Minister Janis Ritenis told reporters after the government meeting.

The council will consist of nine officials, from which three will represent employers, three—employees and three—the government.

Ritenis claims that the setup of the council will ensure the participation of employees, entrepreneurs and the government in the development of the social insurance system.

Ministers Suspected of Working for KGB Urged To Resign

MK1805114594 Moscow NEZAVISIMAYA GAZETA in Russian 18 May 94 p 3

[Unattributed report under the "NEGA Reports" rubric: "Latvia"]

[Text] In his comments on a televised statement by Prime Minister Valdis Birkavs, Economic Reform Minister Ojar Kehris said that no ministerial changes have been officially discussed at the Latvian government.

The prime minister said in his statement on 15 May that the removal of ministers suspected of cooperating with the KGB would be the first step in reshuffling the Latvian Cabinet of Ministers. Kehris, in turn, stressed that the situation can be straightened out by the voluntary resignation of the ministers themselves. Valdis Birkavs pointed out that he will not discuss possible candidacies of new ministers as long as there is no legal basis to do so. Kehris said, however, that this could mean only a court ruling establishing the guilt of the suspected ministers, something that could serve as a reason for firing one minister and appointing another.

For the time being, Foreign Minister Georgs Andreyevs is on vacation, and Edvin Inkens, minister for special assignments, continues to go to work every day. (These two are "the main suspects.") It is known that Inkens is ready to be temporarily dismissed from office if Birkavs so requests.

The Cabinet of Ministers committee on economy and finances has opted against supporting the proposal made by the Prenex Anftalt firm for a second time to build a plan to incinerate hazardous wastes in Latvia. It is well known that at the beginning of March Prime Minister Valdis Birkavs signed a letter turning down the proposal; he explained that the Latvian government decided not to cooperate with the firm because bringing hazardous wastes into the country from abroad would run counter to the Latvian law banning hazardous wastes from entering Latvia. Minister Ojar Kehris said at a briefing that the committee on economy and finances recommended against accepting the firm's proposal because there is no sufficient information about the types of wastes Prenex Anftalt is going to bring into Latvia. The firm did not respond to repeated requests by the Environmental Protection Ministry that it provide appropriate documents.

In addition, the Basel conference [as published], which Latvia has also joined, specifies that as an exception a state could ask another state to accept wastes, but a firm cannot make such a request to another firm or a state. The project called for three incineration facilities to be built outside Riga to incinerate 300,000 tonnes of waste a year, including 210,000 tonnes to be brought from EC countries and 90,000 tonnes of local wastes.

Legislature Changes Budget Law, Increases Internal Debt

WS1805134294 Riga DIENA in Latvian 6 May 94 p 1

[Article by Baiba Melnace: "Government's Internal Debt Is Growing"]

[Text] Riga, 5 May—Parliament has accepted amendments to the state budget law, which foresee a 41,253 million lat [Ls] increase in the maximum state internal debt. The amendments increase income by Ls18.15 million and expenditures by Ls21.44 million.

The accepted amendments are connected mainly with children's benefits. Ls17.39 million have been earmarked for this purpose. Other big expenses (Ls4.8 million) are granted for the increase in the wages of the employees of state security institutions—in the Ministries of Defense and Home Affairs, as well as in Home Guards and the Security Service. Part of the expenses are connected with the increase in the minimum wage from Ls15 to 22.5, adopted by the Cabinet of Ministers. Colleges will receive an additional Ls220,000; health protection—Ls201,000. Additional funds are allocated for orphanages, and centers for social aid and rehabilitation, but at the same time, funds are reduced for homes for the elderly and disabled, as well as for boarding-schools for disabled youth.

At the same time, there are plans to increase the budget by Ls9.18 million, preserving the same tax tariffs, but not foreseeing any reduced rates in this field. The government expects to gain Ls565,000 from the social tax payments, because the minimum wage has been raised and the minimum amount of tax-free duties has been reduced. It also expects to acquire Ls2.95 million from the budgets of towns and regions, and Ls5.44 million from the joint stock company "Lata International" credit, and credit interest.

The Ls41.2 million growth of the state internal debt is connected with the Latvian Savings Bank and Latvian Universal Bank rehabilitation program. As State Budget Minister Janis Platais reported, government securities are to be issued in the amount of Ls57.5 million, which will be deposited in these banks. Simultaneously, the state internal debt, in the amount of Ls23.4 million, connected with the savings of the population, existing in the Savings Bank but not covered by assets, (the so-called lost Moscow assets, which until now have not been officially settled) is to be reduced. The government securities are supposed to yield a profit, and both banks will be able to recover, J. Platais said.

The state budget minister also said that the funds assigned for the rehabilitation of both banks will be returned to the state budget. The part of the state funds connected with the servicing of bad credits will be allotted to the banks on condition that the bad credits are repaid. In that case, the bank will keep 15 percent of the amount of the credit at its disposal, while 85 percent will be used to cancel the government securities.

The parliament accepted a total reduction of budget expenditures of Ls553.000, and an increase in expenses of Ls520,000. The cost of implementing the law on civil service, reform of the Ministry of Interior Affairs, and training of the State Reform Ministry clerks was reduced. As a result, additional funds were gained by State Land Service, cultural institutions, Central Elections Commission, Saeima, and the car service of the Saeima.

Christian Democrats Outline Program Before Local Elections

WS1905095694 Riga DIENA in Latvian 11 May 94 p 1

[Article by Nellija Locmele: "Program of Christian Democrats Emphasizes Protection of Human Life"]

[Text] Riga, 10 May—Today, on the eve of municipal elections for the Riga City Council, the Union of Christian Democrats [KDS] presented the program it drafted with its coalition partner—the League of Economic Activity [SRL]. The program consists of 14 parts and outlines plans for the coming three years.

At a press conference, KDS Deputy Chairman Maris Vitols referred to the program as the basis for KDS and SRL political cooperation: We believe not only in God, but also in each other. Vice President of SRL Ojars Blumbergs assessed the cooperation as real and fruitful.

The priorities of the program are social protection and health protection, which together help secure human life. In this domain, KDS and SRL make promises that one

cannot find in other parties' programs—unemployed people will receive additional payments in the amount of 50 percent of their unemployment benefit for working on social jobs (repairing streets, roofs, etc.); by concluding contracts with local authorities, social aid centers will be created in the countryside, which in turn will offer seasonal jobs to local inhabitants; humane conditions will be ensured in Riga mental hospitals. KDS states directly what the often-mentioned reorganization of municipal authority should look like—it should become centralized, subordinated to the city mayor (in the sense of political responsibility), and specialized in three directions—securing order in the streets, market places, and municipal premises. It is also foreseen to create a department of secret police, to fight gangs, corruption, and robberies. KDS also promises to carry out, in a few weeks' time, a listing of city housing funds and to determine the number of inhabitants living in unsanitary conditions, to whom unoccupied flats should be granted. There is also a project to cancel the zone-based ticket system in the Riga city transport, and return to two radial tramlines on both banks of Daugava, for the convenience of passengers. KDS also proposes to earmark one part of the excise tax for the needs of the city—for transportation and for fighting air pollution. In the realm of privatization, KDS is of the opinion that the most optimal variant would be an open "court of interests," in which lawyers representing the interests of the town, environment and inhabitants employment would take part. [sentence as published]

'Major' Monetary Irregularities Found in Immigration Office

WS1805133494 Tallinn BNS in English 1137 GMT 18 May 94

[Text] Riga, May 18, BNS—A recent inspection revealed major financial irregularities in the Latvian Immigration and Citizenship Department, Interior Ministry's officials told BNS.

The department faced a complete audit of financially economic activities for a three-year period, said Arturs Berzins, head of the ministry's Control and Revision Commission.

The department's wages fund was exceeded 5,479 lats in 1993. In addition, 14,872 lats were paid in bonuses and social benefits, the commission said.

Then-Director Maris Plavnieks also ungroundedly spent budget resources on insurance of department's employees for more that 46,000 U.S. dollars. The money was transferred to the Austria-based Save-Invest firm, which lacked license to operate in Latvia.

The insurance deal was one of the sidesteppings for which Plavnieks was fired Dec. 14, 1993.

The department wired the money without concluding any contracts. The only documents to confirm the deal are insurance policies.

The ministry will try to recover the money, if necessary, with a help by the Economic Court, said Interior Ministry's Janis Balins.

In addition, the department lacks any form of internal control, like proper accounting and stock taking.

Plavnieks told reporters that the wages fund was overdrafted to keep qualified employees from moving to better paid jobs.

Speaking on the controversial insurance deal, Plavnieks said that Save-Invest was only a mediator firm but the insuring was done on highly favorable terms in the Fortuna firm, which is, in his words, one of the 12 largest insurance companies worldwide.

Ints Zitars currently performs the duties of the department's acting director.

Lithuania

Prime Minister Addresses World Bank Meeting

WS1905103394 Tallinn BNS in English 1638 GMT 18 May 94

[Text] Vilnius, May 18, BNS—Lithuania has already created a democratic government structure, secured the principles of democracy in social life and established a legal system, Lithuanian Prime Minister said Wednesday [18 May].

Speaking at a World Bank conference that opened in Paris, Slezevicius presented his country's investment program and economic strategy.

The premier said the economic reforms carried out by the Lithuanian Government are aimed at free-market transformations and integration into Europe. Slezevicius noted that Lithuania was one of the first former Soviet republics to become a member of the International Monetary Fund and the World Bank.

Introducing Lithuania's economic strategy, Slezevicius said the government seeks to achieve economic stability and to carry out structural reforms. He said the primary tasks are to make Lithuania's monetary and fiscal policies firmer, to liberalize export and import, to reduce government subsidies to enterprises and individuals.

The Lithuanian premier said the process of state-property privatization, introduction of a stable national currency and the value-added tax, as well as the creation of the currency board helped curb inflation. In Slezevicius' words, inflation should not exceed 35-50 percent this year and should be reduced to 15-20 percent next year.

The premier said Lithuania is now entering a new stage of restructuring the economy. Slezevicius said a legal framework stimulating the private sector and foreign investments in it is currently under preparation. He said

primary attention in reorganizing enterprises is paid to investments and economic development.

Slezevicius said the Lithuanian Government intends to complete the first stage of privatization this year and to start the next one, during which the principle of giving away property will be no longer applied. Privatization will be carried out for cash, foreign investors and Lithuanian citizens will have equal rights in the process, the premier said.

Introducing Lithuania's investment program for 1995-1997, Slezevicius said priority will be given to energy, transportation and environment protection.

Slezevicius emphasized that Lithuania is still dependent on Russia's energy resources. The premier said the Lithuanian Government will seek to increase the reliability of primary energy supplies, to use energy more rationally, to upgrade the safety of the Ignalina nuclear power plant, to expand the use of internal and renewable energy resources and to reduce the negative effect of energy on the environment.

The Lithuanian premier said around 700 million USD are needed to carry out major energy projects: 40 million to complete the construction of the Kruonis hydroelectric power station; 20-25 million to build nuclear fuel storage facilities in Ignalina; 90-100 [million] to upgrade the safety of Ignalina's reactors; 90 million to build the Butinge oil terminal; 50 million to build a pipeline from Butinge to Mazeikiai; 90 million to modernize the Klaipeda oil export terminal; 100 million to modernize municipal heating systems.

Slezevicius said one of the top priorities in transportation is to develop the Klaipeda seaport and a related land transport infrastructure. He said the port's reconstruction would cost around 80-90 million dollars. The costs of the initial stages of the Via Baltica highway project reach 40 million dollars. The premier said the construction of a Warsaw-Kaunas-Riga-Tallinn railroad line with European standard tracks is also listed among priority projects.

Discussing environment protection, Slezevicius said primary attention should be paid to such problems as sewage, dangerous waste and air pollution.

The Lithuanian premier said pollution of inland waters endangers the Baltic Sea, therefore it is necessary to complete the construction of water refinement systems in Vilnius, Kaunas, Klaipeda, Siauliai and Palanga. Slezevicius said these projects require some 80 million dollars. Another 100 million dollars are necessary to carry out a dangerous waste recycling and disposal project.

Slezevicius said the Lithuanian Government has already prepared and approved national development programs in the fields of energy and transportation.

In implementing priority projects, the Lithuanian Government will coordinate actions with its Baltic neighbors, Nordic and other countries, Slezevicius said. In his words, Lithuania's investment program will be distributed to potential investors through structures of the European Union in July. The premier said the program will be presented to major international financial organizations and interested countries at a conference, which is likely to be arranged late this year or in early 1995. The Lithuanian premier said bilateral meetings with potential investors may start in September.

In conclusion, Slezevicius urged international financial organizations and interested countries to cooperate more closely among themselves in dealing with investment projects in Lithuania. He assured the conference's participants that the Lithuanian Government will ensure the necessary conditions and support for foreign investors.

Swedish Foreign Minister Visits, Urges Russian Withdrawal

WS1905100794 Vilnius ELTA in English 1833 GMT 18 May 94

[From "News Bulletin" No. 502]

[Text] Vilnius, May 18, ELTA—Swedish Foreign Minister Margaretha af Ugglas arrived on a one day visit to Vilnius on Wednesday [18 May].

After the meeting with President Algirdas Brazauskas she told a news conference that they discussed the future development of the whole Baltic region.

According to Margaretha af Ugglas, Sweden supports the opinion that Russian Army should leave the Baltic states by August 31, 1994. The minister also stressed that Sweden like Lithuania was interested in the demilitarization of Kaliningrad enclave. Sweden is ready to help Kaliningrad to develop its economics and to attract foreign investments. These questions will be discussed during the visit of Ugglas to Kaliningrad on Thursday.

The minister answered the question about Sweden's attitude to the Russian military transit through Lithuania. She said that this problem of the two independent states should be settled in agreement with the international requirements.

Wednesday afternoon the Swedish Foreign Minister visited Ignalina nuclear power station.

Margaretha af Ugglas also met Lithuanian Foreign Minister Povilas Gylys and the leader of the opposition Vytautas Landsbergis.

TV Agreement With Poland Extended 1 Year

LD1805221594 Warsaw Radio Warszawa Network in Polish 1700 GMT 18 May 94

[Excerpts] In Vilnius today Wieslaw Walendziak, the president of Polish Television, and Laimonas Tapinas, the director general of Lithuanian Radio and Television, extended for one year the agreement on cooperation between the two television networks. This agreement was signed two years ago.

[Correspondent Aleksandra Akinszon] [passage omitted] After the agreement was signed, Lithuanian journalists returned in their questions to the incident of a week ago, when the Lithuanian side refused to sign an agreement on the retransmission of Polonia TV in the Vilnius region. President Wieslaw Walendziak stressed that it had indeed been a regrettable incident, but it had been resolved successfully, and he proposed that these matters now be left alone. This is Aleksandra Akinszon reporting from Vilnius.